Daily Report

Central Eurasia

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FBIS-SOV-95-174 *8 September 1995*

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CENTRAL ASIA

Negotiations in Groznyy

Yeltsin Wants Khasbulatov To Help Chechnya

LD0809105795 Moscow ITAR-TASS in English 1044 GMT 8 Sep 86

[FBIS Transcribed Text] MOSCOW September 8 (ITAR-TASS) — President Boris Yeltsin believes his main foe Ruslan Khasbulatov should be invited to help settle the Chechen crisis and can participate in future elections in the rebel republic.

"I think Khasbulatov should not be forgotten. He has a certain rating there (in Checynya). Why should we always recall the past and not invite him for a talk. I think he has become wiser over the time", Yeltsin told a press conference Friday.

Khasbulatov, an ethnic Chechen and former speaker of the Russian parliament, headed the armed revolt against Yeltsin in October 1993. The revolt was suppressed by tanks and Khasbulatov was arrested. He was later amnestied by the State Duma.

Yeltsin named three other politicians who Moscow authorities plan to cooperate with. These are current Moscow-backed Chechen leaders Salambek Khadzhiyev and Umar Avturkhanov, as well as former Chechen communist leader Doku Zavgayev.

Yeltsin said nothing about Chechen separatist leader Dzhokhar Dudayev, but stressed that "elections cannot be dropped into the hands of militants and criminals".

The president ruled out any possibility of Chechnya's secession from Russia. "Nobody will cede from Russia. Russia is indivisible", the president said.

Special Observer Commission Resumes Work

LD0809103695 Moscow ITAK-TASS in English 1016 GMT 8 Sep 95

[By Sharip Asuyev and Valentin Pavlov]

[FBIS Transcribed Text] GROZNYY, September 8 (ITAR-TASS) — The special observer commission on implementing the agreement on military issues resumed its work in Groznyy on Friday after a two-day interval. The meeting is examining progress in finding servicemen imprisoned or forcibly detained by the two sides.

Issa Madayev, a co-chairman of the search commission from the Chechen side, said that three out of eight places of POWs detainment, indicated by the Russian side, were inspected.

Fifteen servicemen were found, and a search for others continues. The Russian side submitted lists for another 89 servicemen who are in captivity and 295 people missing.

Co-chairman of the special observer commission Anatoliy Romanov also asked commission members to start a search for four Chechen policemen, missing from July 1.

'Multiple Chechnyas' Seen as Possible Option

MM0709153495 Moscow OBSHCHAYA GAZETA in Russian No. 36/112, 7-13 Sep 95 (Signed to press 6 Sep) p 1

[Report by Aleksandr Trushin: "The Generals Are Dividing Up Chechnya. Will Politicians Agree with Such a Setup? "]

[FBIS Translated Text] Mutual recriminations of "nonobservance of the agreements" by the negotiators are today causing as little concern as the 1,001st Chinese warning did in its time. After all, no matter what, Anatoliy Romanov and Aslan Maskhadov talk about something five or six hours every days behind the closely guarded gate of the Groznyy military commissariat building. Maybe they are placing signal flags on a map?

Indeed, after each session of the conciliation observer commission press secretaries announce the "disarmament" of a particular village or rayon. Disarmament proceeds as follows. A Russian military unit withdraws 2-4 km from the said area. A Dudayev-appointed commandant from among the field commanders arrives in this village or rayon center with his detachment. In the presence of representatives of the Russian command and the OSCE the local residents are paid (with Russian money) for the weapons they surrender. The automatic rifles retained by the gunmen are reregistered and the detachment of gunmen is renamed a self-defense detachment. An Ichkeria flag — a recumbent wolf on a green background — is raised over the military commissariat building. The commandant becomes an unchallenged ruler on the territory entrusted to him. The population is told to live according to the Sharia laws; on Fridays those caught drinking, stealing, and committing other crimes are punished in public.

So far nothing is stopping the Ichkerians from organizing their life the way they want to, which, according to the majority, is the essence of independence. And so this year they are celebrating their national holiday — 6 September — with an emotional uplift much higher than in the past.

Ichkeria has already come down from the mountains. At the end of last week the northern edge of the territory that is again under the control of "illegal armed

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formations" was finally designated. This line begins to the east of Nozhay-Yurt and runs along the freeway and the railroad line as far as Bamut in the west, repeating in general outline last century's Cossack Sunzhen Borough boundary. If, after Romanov and Maskhadov, we try to place signal flags on the map, we shall see the contours of the emerging republic.

To all appearances, the Russian command in effect perceives this line as a new border. Checkpoints here have been beefed up considerably, and at one of them, in the Assinovskaya area, real green-capped border guards have appeared. Attempts by Dudayevites to advance to the north are curbed decisively, as was the case in Argun on 20 August. Shali so far remains a disputed territory, with both Dudayev and Khadzhiyev commandants present there at the same time. From time to time, as a warning to citizens of the "contiguous state," artillery, missile, and mortar shells are fired across the "border."

The division of Chechnya should not be seen as a surprise. In No. 24 for this year, OBSHCHAYA GAZETA analyzed as one possible postwar development option an agreement between the Russian command and Dudayev whereby the latter preserves his presidential powers on part of the territory. In No. 28, Vadim Pechenev, deputy chief of the Russian Federation presidential staff department for work with the territories, said that the concept of "two Chechnyas" appeared in December 1993 after negotiations with Chechnya opposition leaders.

At the time this concept had both strong and weak points. To be sure, a peaceful division would be better than armed intervention. The weakness was that Chechnya under Dudayev had a recognized leader while there was no counterpart political figure on the pro-Russian side.

Now that Ichkeria's secession is becoming a reality, Russian politicians will have perforce to play a game which they rejected a year ago, gambling on the use of force option. But this game is more complex, first, because the population of pro-Russian Chechnya has been affected by the war more than the Ichkerians; second, because opposition leaders have finally fallen out with each other; and, third, because Dudayev plays white in this game and has already made the first move.

The trouble is that Moscow has no coherent options for political action. Free democratic elections for a single Chechen parliament is a myth in which few now believe. Even Security Council Secretary Oleg Lobov during his visit to Groznyy admitted that elections are impossible before complete disarmament, but nobody knows how to expedite it.

In response to the formation of Ichkeria, Moscow could propose a concept of "three" or even "multiple Chechnyas": one for Avturkhanov, another for Khasbulatov, a third for Zavgayev, if he is not afraid to return to his motherland....

No matter how many, all the "Chechnyas" will stay as part of Russia. It was only in the heat of political rhetoric that Dudayev and his retinue began fantasizing about full independence. In fact everybody is inclined to come to terms with Russia about larger or smaller privileges. Therefore elections to the State Duma can be held in each separate part of Chechnya. Even if an anti-Russia minded deputy gets in, this will not harm the State Duma.

As for the federal government, by relying on the troops remaining in Chechnya, it will finally acquire a coherent policy based on the old, tried and trusted "divide and rule" method.

Today it is probably the sole option for Moscow to continue the process of the peace settlement. Meanwhile preserving the — as yet — weak hope that one day, after many years of effort in the political, economic, and intellectual spheres, one can start thinking about a single, prospering Chechnya.

Military Operations

Anti-Russian Rally in Groznyy After Youth Shot

LD0809122295 Moscow ITAR-TASS in English 1202 GMT 8 Sep 95

[By Sharip Asuyev and Valentin Pavlov]

[FBIS Transcribed Text] GROZNYY, September 8 (ITAR-TASS) — The situation in the Chechen capital worsened today after a soldier shot down a 17-year-old resident of Groznyy under the circumstances which are not yet clear. This happened in the centre of the city, at a bridge across the Sunzha River, at 12.00. The commander of the checkpoint, who did not give his name, told TASS that the incident was the result of the "careless handling of weapons."

The scene of the incident is now surrounded by reinforced special task force units. About a dozen of armoured personnel carriers are concentrated near the bridge. A rally of Groznyy residents under anti-Russian slogans began at a nearby square. Their main demand is the withdrawal of federal troops from Groznyy.

Fate of Border Guard POW's Uncertain

MK0809090195 Moscow SEGODNYA in Russian 7 Sep 95 p 2

[Report by Yuriy Golotyuk: "There Is Still a Chance the Five Border Guards Held Prisoner by the Chechens

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Will Be Released. Despite Aslan Maskhadov's Joining the Talks, No Reliable Information on the Prisoners' Fate Is Available"]

[FBIS Translated Excerpt] [passage omitted] According to military intelligence, two officers of the five detained border guards were wounded and the driver, a conscript, was shot dead by the militants in an attempted escape. Despite the fact that Aslan Maskhadov, chief of staff of the Chechen armed formations, joined the talks over a week ago (when he promised that "the hostages may be released within the next two or three days"), the four Russian border guard officers are still being held by the militants in the vicinity of the Chechen village of Shatoy.

Well-informed sources in the Russian Federation Federal Border Service told your SEGODNYA correspondent yesterday that, for the moment, they were unable to confirm the information of the federal command. Citing Caucasian Special Border District officers participating in the POW talks with the militants, they argue that all of the POWs are alive and there is a chance that they can be released, although the talks with the Dudaevites detaining them "are dragging out."

Attempted Escape Denied

LD0709145995 Moscow ITAR-TASS in English 1312 GMT 7 Sep 95

[By Anatoliy Yurkin]

[FBIS Transcribed Text] MOSCOW, September 7 (ITAR-TASS) — Russia's Federal Border Guard Service has denied reports alleging that border guard officers seized by a Chechen gang in Daghestan on August 24 made an attempt to escape from captivity and were wounded.

The Press department of the Federal Border Guard service told ITAR-TASS that these allegations were groundless. The border guards are still held captive by the Chechen gang and talks on their release are being held with its ringleader.

Experts say that chances for their soon release are scarce. Shamil Basayev's gang stationed in the area of Vedeno controls the Kharami mountain pass used by convoys of trucks as the only road to deliver ammunition and guns to Chechnya. This path is mapped out on border guard charts as the most dangerous spot demanding constant control.

The vigilance of border guard patrols irritate Chechen bandits, frustrating their plans of smuggling arms and ammunition to Chechnya. Therefore, border guard patrols are ambushed in the mountains and shot dead by Chechen snipers, who also fire at manouevre groups in the mountains. In March, two officers were killed by bandits, in July, four other border guards fell victim to their bullets.

Four senior border guard officers and a soldier driver were taken into captivity following an arrest of a convoy of trucks in the Daghestan highlands. A deal worth many millions was broken up, and anti-tank guns and air defence facilities never reached their destination, which prevented Dudayev's formations from launching active military operations. Dudayev's bandits had carefully planned the operation of hostage taking, whose purpose was to show to Russian commanders that the Chechens can influence the situation and also divert the border guards' attention from the mountain path used by arm smugglers.

Experts believe that the seized border guards will be kept in captivity until Dudayev's militants gain almost the impossible in exchange for their release. Dudayev's statements promising that the four officers and the driver would be set free in the next few days might turn out to be groundless.

Chechen Operations Prompt Russian Tank Redesign

LD0709194395 Moscow INTERFAX in English 1845 GMT 7 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 7 (INTERFAX) — One in ten Russian tanks was destroyed during military operations in Chechnya, the head of the armor department of the Russian Defense Ministry, Colonel General Aleksandr Galkin, told a news conference in Moscow Thursday [7 September].

Russian troops brought to Chechnya 1,200 armored vehicles, including 307 tanks, since December 1994, he added.

Galkin explained that the high number of tank losses was due to their misuse in Groznyy and the Chechen rebels' good training.

Galkin rejected speculations that tanks should not have been brought to Groznyy as they were not designed for street fighting.

Tanks can enter cities, Galkin said, but after a strong artillery preparation and air strikes. Tanks operated in Groznyy even without infantry back-up, he added.

The Defense Ministry learned a lesson from the Chechnya campaign and ordered Russian designers to make some changes to existing tanks, in particular to separate ammunition and fuel tanks from the crew.

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Citizens Feel Effects of War, Internal Threats

954F3290A Moscow MOSKOVSKIYE NOVOSTI in Russian No. 53, 6-13 Aug 95 p 6

[Article by MOSKOVSKIYE NOVOSTI special correspondent Vladimir Yemelyanenko: "The Field Commanders' Star Hour: Not Yet Finished With the War Against Moscow, Chechnya Is Facing the Threat of Internal Schism"]

[FBIS Translated Text] Shali-Groznyy—Russian contract soldiers are especially hated by the population. They are believed to be responsible for the most heinous crimes against the civilian population. But, as it turns out, the mercenaries themselves have become the victims of other criminals—those of the state.

Peace brought Chechnya a wave of rallies against the background of continuing exchanges of fire. Residents of four out of eight rayons in the republic—Vedeno, Achkhoy-Martan, Shalin, and Nozhay-Yurt—began a permanent rally. They encircled in a "living ring" federal troop units stationed near their villages and the buildings of Salambek Khadzhiyev's prefectures, but they are also not allowing the prefects appointed by General Dudayev into the villages. Especially unbending is the rayon center, Shali. For the second week now it is living under the authority of a spontaneous village assembly and the elders council.

Shali Sovereignty

In order to enter Shali, one has to pass through four checkpoints. First the federal troops' block station. The most liberal one, as it turned out. Half a minute, and—"Have a good day." A kilometer outside the rayon center, the road is blocked by two jeeps. Representatives of General Dudayev's prefect found suspicious both the tape recorder, which they maintained looked like a listening device, and the journalist's appearance. "We do not let your state security agents in. Turn around," was the Dudayevites' decision. While we argued, two cars that were about 300 meters away rode up. Their passengers—representatives of the village assembly and home guard—took my word of honor "to write everything as it is" and gave me a ride to the center of Shali.

In August 1995 this Chechen city greets visitors with slogans like: "Shamil, you wolf, help us!" and "Go away Dzhokhar!" But more often than any others one sees the following exhortation on fences: "Moscow, you swine, take back your offspring!" A rally is in progress. The speaker urges everyone not to fall for provocation under any circumstances and not to agree to liquidation of the federal troops' block stations. The demonstrators, mainly women in white kerchiefs, listen in silence.

"Moscow has come up with another provocation," says local elder Sayhan Michkayev, "it appointed its representatives here, but it is not withdrawing its troops." Chechens in rural areas, including Shali, are afraid of a new war, this time between Dudayev supporters (in keeping with the terms of the Russian-Chechen agreements, they returned home with their weapons) and the new authority—the former opposition, which is also armed. Therefore, the rally in Shali rejects both the prefect from Groznyy, appointed by the national rebirth government, and General Dudayev's appointee.

"We do not believe anyone," says Shali resident Imali Tashikhadzhiyev. He lost two sons in the war. The older one was killed by Dudayevites because he did not want to fight on their side. The younger one was killed by Russian mercenaries simply because they suspected that his son was a commando. This man's tragedy provided a pretext for the Shali confrontation. Immediately after the murder of his older son, Imali Tashikhadzhiyev visited Dudayev in the mountains. The father asked the president to give up to him the blood enemy, whom the whole village knows. Dudayev sent a message through his aides: "My people could not do this."

Tashikhadzhiyev, until then neutral, became an opponent of Dudayev. But only until 9 May 1995. On that day his 26-year-old son Shimkhan and his peers Ayub Damayev and Asmambek Suleymanov "disappeared." People in Shali saw their car stopped at the Russian troops' block station. They were sent to the positions of the reconnaissance unit of the 503d regiment stationed three kilometers from the rayon center. After the refusal to return their children, the parents reported this to the commandant's office, the mayoralty, and the military procuracy. However, Stanislav Reytor, senior assistant military procurator of the Chechen Republic [ChR], refused to open a criminal case under the pretext that there were no witnesses to the arrest.

Tashikhadzhiyev senior began his own investigation. A week later he learned that all three young men had been shot on the order of the reconnaissance unit commander and buried in the yard along with the car. "The soldiers told me," says Tashikhadzhiyev. "The ones they do not assign to block stations. These lucrative assignments are taken by mercenaries—we call them sons of swine. You want to pass through the block station—you have to pay 50,000 rubles [R]. Going back—another R50,000. They wanted to take my son's car. I am told that he began to fight." Until 15 July—the date when the 503d regiment was moved to a new position—the father was not let into the unit's positions. Regiment commander Sergey Sokolov and FSB [Federal Security Service] officer Andrey Voronov showed him a register, entries in which

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showed no indication that Tashikhadzhiyev, Damayev, and Şuleymanov were ever detained by federal troops.

Only on 16 July, when the 503d regiment left, did the relatives of the "missing persons" dig out their bodies from a depth of almost three meters. The crushed remains of a Zhiguli, license plate still intact, were found buried 150 meters away. And a little to the side of it—another grave, where they found four bodies in semi-decomposed military uniforms. "I suspect that these are the fixed-term draftees—those who gave me the names of the killers—done in by mercenaries," believes Tashikhadzhiyev. Only after personal interference on the part of Salambek Khadzhiyev, prime minister of the national rebirth government, was a criminal investigation initiated. But it immediately ran into a dead end: Regiment commander Sokolov was on leave, and no FSB officer under the name of Voronov had ever served in the 503d regiment. The investigator, Major Bessonov, left Chechnya almost immediately after taking charge of the case because his contract expired.

The new investigator, ChR assistant military procurator Ivan Barsukov, said that transferring the case and familiarizing himself with the documents will take at least a month. This is when a rally began in Shali demanding the resignation of prefect Khamzat Zhunaidov, considered a protege of the corrupt Russian troops and administration, incapable of protecting the people from arbitrariness. On the other hand, the Dudayevites' attempt to establish themselves in Shali after the signing of the military agreement with Moscow produced an unexpected result. "Dzhokhar, go away!" was the slogan the local elders brought to the meeting with Dudayev's representatives. They have not forgiven Dudayev's guards the guerrilla tactics of waging war on Russian troops from peasants' homes. As a result, at least one-third of the villages in Shalin Rayon are in ruins.

Shali residents voluntarily transferred authority to one of their own, field commander Abu Mavsayev. He and his unit returned to Shali immediately after the signing of the Russian-Chechen military agreement. "We will not recognize any authority if we see that it supports a continuation of the war," says Mavsayev. A former rural school teacher, Mavsayev took up a submachine gun in December 1994, after Russian troops invaded Chechnya, General Dudayev disappointed him after Mavsayev saw that not all field commanders obeyed him. Dudayev's displeasure over the treaty with Russia was the last straw Mavsayev needed to convince him that the only thing to do was stand with his own villagers.

"I insist on a withdrawal of the Russian mercenaries, not the troops. Meanwhile we, the home guard, will be going on patrols alongside the troops," says Mavsayev. "If we are deceived, we will protect ourselves."

The rally in Shali accepted with elation the field commander's idea. "I know about it," Salambek Khadzhiyev, prime minister of the national rebirth government, said in an interview to MOSKOVSKIYE NOVOSTI. "The same is happening in Nozhay-Yurt and Vedeno. But our government is unable to influence the situation. Federal troops keep control in their hands. My task as prime minister is to rebuild what has been destroyed and keep the people from dying of hunger."

If There Is No War

After midnight, submachine gun fire continues to sound in Groznyy. According to Chechen MVD [Ministry of Internal Affairs] data, so far there have been no fatalities. "It is the Russians' own fault," says Groznyy resident Takhir-Akhmadov. "Ours reason this way: 'How come Russians can carry weapons in my city and I cannot?'"

Akhmadov was tempted twice to take up a submachine gun. The first time at the market. His wife, who was selling consumer goods at the market, was approached by a mercenary—a sergeant. He pointed a submachine gun at her: "Take off your earrings." Akhmadov came to his wife's aid and ended up in a filtration center. Almost all the proceeds from her trading, tells Takhir Akhmadov, went into bribes to get him released. The second incident happened at home. To be precise, in a semi-ruined apartment he is rebuilding. "You can wait forever for the construction crews they promised, so I proposed to do everything myself, and they would pay me. They agreed. A week later people from the RF territorial administration came. They brought me papers. "Sign," they said. I looked and saw a document confirming receipt of the construction materials I had asked for. I said: "Give me the material and I will sign." They gave me a hard time for an hour. I put up with it, but deep inside I kept thinking: "If I did not have a family and was not 42 years old, I would take a machine gun and go to Dudayev."

Akhmadov did not sign the document; the house is not being repaired, and he, for his part, does not want to go to work, which is not paid for in Groznyy. "They promised 1.5 million per person as compensation for the war, but it is probably a lie," confides Akhmadov, "so I will somehow fix my home myself. If the war does not start up again."

This "if" is hanging over Groznyy. Even the work of Finnish, Turkish, Moscow, and Petersburg construction companies does not inspire hope for peace. As soon as the Turks rebuilt part of the drama theater, they

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had to start all over again after a night-time shootout on 31 July. Soon thereafter, field commander Ruslan Gelayev made it known through his people that "surprises" such as 31 July will continue unless Prime Minister Khadzhiyev's cabinet and Groznyy Mayor Beslan Gantemirov "make room" for others. Gelayev would like to see himself as minister of defense in the future coalition government. Another field commander, Ruslan Labazanov, has so far settled in Tolstoy Yurt village. He said that he will never recognize the authority of "impostors whom nobody knows"—meaning the new field commanders—and is ready to fight against them with his unit. And finally, Dudayev too has not given up his claim to power. Much as the field commanders are in a hurry to write him off, it is General Dudayev and his retinue who retain the main levers: money and weapons. So far, it is they who decide how to parcel it out among the field commanders.

"All this is secondary," believes Abdulla Bugayev, deputy prime minister of the national rebirth government, "the important problem is still that there is no centralized authority in Moscow. There are three or four power groups. One group won—they started a war. Another won—troop withdrawal began; so far they are being withdrawn because currently these groups are acting in parallel."

I remembered his words late in the evening, when heavy airplanes hovered over Groznyy. From Takhir Akhmadov's roofless top floor apartment they looked like glowing atomic bombs. Tamila, Akhmadov's four-year-old daughter, convulsively clutched father's leg and lowered her gaze. "Don't worry," her seven-year-old brother Auz reassured her and the rest of us, "this a not a bombing raid. This is a transport. Probably carrying 'humaid.'"

Politics and Nationalism

Volskiy Discusses Chechen Disarmament, Elections

LD0709131295 Moscow Radiostantsiya Ekho Moskvy in Russian 1200 GMT 7 Sep 95

[FBIS Translated Text] Arkadiy Volskiy, head of the Russian Union of Industrialists and Entrepreneurs, who is also the deputy head of the Russian delegation at the Groznyy talks, is confident that the date and the terms of the elections in Chechnya are closely linked to progress in disarmament. Volksiy has said that he is against the policy of weapons being bought from the population:

[Begin Volskiy recording] About 24 grenade-launchers were brought in yesterday. They cost millions of rubles, and it turned out that our troops had no money. So they took them back and continued to fire from them. Many issues here are yet to be resolved. What I am definitely happy about is that in the localities, both [Chechen commander] Aslan Maskhadov and [Russian commander] Romanov and also commanders of both our units and Dudayev's units are maintaining contacts on the whole. This process can be continued, promoted, and developed further.

Another point which I would insist upon is that the date of the elections should be agreed. I have always been saying that they should be held after the disarmament, but still, it is necessary to agree on the date. There are two dates set for the elections [break in transmission] Dudayev and Khadzhiyev set it for 5 November. I keep telling them both that there should not be two elections dates, and what's more, so close together. [end recording]

Roundtable Urges Parliamentary Elections This Year

LD0809121495 Moscow INTERFAX in English 1039 GMT 8 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 8 (INTERFAX) — The parliamentary elections in Chechnya should take place no later than at the end of this year. This view was expressed in an address to the National Reconciliation Committee (NRC) of the republic by delegates of the Round Table which took place in Groznyy on Thursday and featured 17 political parties and movements.

This document was approved unanimously as a basis, reports an INTERFAX correspondent.

The Address says that the parliamentary elections, which were earlier scheduled by the NRC for November 5, are "one of the instruments to achieve peace" in Chechnya.

To stabilize the situation in the region, says the document, it is necessary to achieve disarmament of the illegal armed formations and the federal troops withdrawal.

The delegates approved as a basis an appeal to the Chechen people, which says that they "would unite their efforts to discontinue the genocide of our people, and to reconcile the warring sides.".

These documents are expected to be adopted on September 16 at the next meeting of the Round Table.

The Round Table was created on August 24 by political parties and movements as a coordinating body to achieve "the holding in the republic of democratic elections to parliament".

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The Round Table currently unites 17 parties and movements, including 12, which were registered in the Chechen Justice Ministry.

Taking part in the Round Table meeting were the prime minister of the Chechen government of national revival Salambek Khadzhiyev, the NRC chairman Umar Avturkhanov and the deputy head of the territorial department of federal bodies of power in the republic Vladimir Zorin.

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ITAR-TASS Carries Press Review for 8 Sep

LD0809060195 Moscow ITAR-TASS in English 0552 GMT 8 Sep 95

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW September 8 (Itar-Tass) — ROSSIYSKIYE VESTI on bureaucracy which quite often hampers the realisation of important administrative decisions.

The newspaper carries an article headlined "The future of the State depends on the quality of the Civil Service". The newspaper quotes Russian President Boris Yeltsin as saying that "the civil servants should serve the State, not subordinate it to their selfish interests". Yeltsin made the remarks at a meeting with the faculty and students at the Russian Academy of the Civil Service, outlining "basic orientations of reforms in the Civil Service and personnel policy".

ROSSIYSKIYE VESTI continues the publication of articles under the rubric "Elections-95", acquainting the readers with various parties, blocs and their leaders. This time it focuses on the Agrarian Party of Russia, the "Forward, Russia!" and the Party for Russian Unity and Accord.

KOMSOMOLSKAYA PRAVDA on its own "investigation" of the August 28 mortar attack on downtown Sarajevo.

The newspaper gives the opinion of Andrey Demurenko, Chief of Staff of the Sarajevo Sector, who, upon studying all the circumstances of the tragedy, arrived at a conclusion that NATO bombing strikes, brought on by the "Serbs' terrorist act", in point of fact "punish those who are not guilty".

IZVESTIYA carries an article by human rights campaigner Lev Timofeyev who turns to the "case", which is familiar to the readers through some articles in Moscow-based newspapers, and deals with drug trafficking charges against young poetess Alina Vitukhnovskaya.

It became clear to members of general public, who got initiated into the materials of the case and who were present at the trial that this is a frame-up. The court is guided by some motives that differ from Law provisions, writes Timofeyev, who is a public defence counsel of the girl who has been kept in Butyrka prison for 11 months.

The newspaper's editorial board points out in its afterword that "the destiny of Alina Vitukhnovskaya epitomises an extremely dangerous trend: boundless power of security services, combined with the helplessness of the engaged courts and prosecutor's offices, threatens human rights in Russia".

IZVESTIYA on the mutual indebtedness of enterprises.

News analyst Irina Savvateyeva emphasises that "continuously growing defaults of payment to the budget in recent months are accounted for to a considerable extent by the slyness of many industrial directors, who pretend that their enterprises are poorer than they actually are, and who conceal incomes from taxation, rather than a fatal inevitability or elementary inability of the State to manage production."

"The government, it seems, intends to launch a crusade against defaults of payments and defaulters. It has promised a programme of tough actions, right up to the dismissal of directors", Savvateyeva writes, touching upon a regular meeting of the Government Commission on Mutual Debts.

KRASNAYA ZVEZDA carries an interview with Lieutenant-General Sergey Zdorikov, Chief of the Main Directorate on Personnel Policy of the Russian Defence Ministry.

In an interview headlined "What kind of ideology the Russian army needs now", Zdorikov points out in particular as follows: "We need such a programme of patriotic education which would be called for by the people. It is essential for the patriotic idea, figuratively speaking, to hover in the air, with news media committed to it".

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Yeltsin News Conference Focuses on NATO, Balkans

Calls Air Strikes 'Unacceptable'

LD0809105495 Moscow Radio Rossii Network in Russian 0900 GMT 8 Sep 95

[FBIS Translated Text] President Boris Yeltsin held a news conference in the Kremlin today. The conference began with questions on the forthcoming parliamentary and presidential elections. Evaluating the prospects of political parties and the prospect of his own participation in the elections, Boris Yeltsin said, in particular:

[Begin Yeltsin recording] The attempt to unite the democratic wing is not being successful. Each party and movement still wants to act practically alone. Some might make alliances, eventually, at the last moment. This is because they want to see themselves at the top of the list, which is being confirmed at the federal level.

It appears that there are no large gaps between most parties and blocks. All of them have a rate between — I am not saying less than five, but, say, between six and eight percent. Practically all the blocks, parties, and movements are within this interval. It seems that it will be very difficult for anyone to suddenly achieve a major lead. As to the date that I will announce whether I nominate myself or not — on no account will this be done before the elections to the State Duma. Let this political campaign on elections to the State Duma proceed peacefully now, and come next year, I shall announce it in due course. [end recording]

The president himself admitted that the journalists' questions about the Balkan crisis turned out to be most complicated. This is what the president said in regards to the continuous bombings of the Bosnian Serbs and the possible Russia-NATO talks:

[Begin Yeltsin recording] First, the air strikes were not sanctioned by the United Nations. I would not call these sanctions. The UN decision on sanctions means that the Security Council sits and decides. This time, the Security Council was not convened, it did not make decisions, and Russia was not even asked at all. These bombings are unacceptable.

Should we now be reciprocating adequately and helping the Serbs in response to the actions of the Croats and Croatian Muslims in view of our Russian-Serbian relations? I have already signed — there is the law on humanitarian aid, and we are helping the Serbs; and we shall be helping them more in the future; and then we shall see — if such actions continue, the situation may become much more heated. This is why I oppose NATO expansion. When NATO comes right up to the Russian Federation border, you may already assume there are two military blocs. Period. This will mean restoration of what we had in the past. Will this help European Security?

Our opinion is that NATO should not be a military organization. It should be a political organization; and Europe should have joint military forces with Russia, taking turns being in command, first one country, then another, like in the EEC now.

And please, Europe can always defend itself and repulse anyone. But what is happening now — NATO is bombing the Serbs and we are being told to sit at the negotiating table with the NATO men and sign a treaty with NATO. What for?" [end recording]

'Radically Opposes' NATO Expansion

LD0809094995 Moscow ITAR-TASS in English 0934 GMT 8 Sep 95

[FBIS Transcribed Text] MOSCOW September 8 (Itar-Tass) — President Boris Yeltsin reiterated Friday that he radically opposes NATO expansion to Russian borders, qualifying the plans as a blunder which can trigger a new war in Europe.

"It would be a major political mistake of those who insist on the NATO expansion. It will definitely send the whole Europe into the flames of war", the president told a press conference and urged those political leaders, who advocate the plans, to be "very balanced and cautious".

"NATO is already showing what it is capable of", Yeltsin said referring to NATO air strikes on Bosnian Serbs. "It can bomb and then count how many civilians were killed", he added speaking in a tough manner.

"NATO is bombing Serbs and we are told to sit at the negotiating table and sign an agreement with NATO. Why should we? What for?" the president said stressing that "the bombings were inadmissible".

The air strikes are "the first sign of what can happen. When NATO comes to the Russian border you can be sure that two military blocs have already emerged. This is the restoration of what used to exist", Yeltsin warned referring to the Soviet-era stand-off between NATO and the Warsaw pact.

This time the Warsaw pact will be replaced by a military union of the CIS. "We shall immediately launch constructive relations with all former Soviet republics. This will be a bloc. There will be two blocs. Does that promote common European security?" Yeltsin asked.

"I am against NATO expansion", the president stressed.

"NATO should not be a military organisation. It should be a political organisation which has common European

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and Russian armed forces which are commanded in turn", Yeltsin proposed citing the European Union as an example.

"Europe together with Russia will always defend itself and will repulse anyone", he added.

The president said the latest NATO air strikes were not o'kayed by the UN Security Council and Russia was not consulted at all. "This time the Security Council did not convene and nobody asked Russia's opinion at all. Is that admissible in a civilised world and with statements about the wish for a peaceful solution?" the president asked.

He also complained that Russia was not invited to draft the concept of the European security. "Is Russia not in Europe? It has been in Europe for thousands of years. And it is not going to cede from Europe. It plans to play not the last role in Europe", Yeltsin said.

Against Split of Sarajevo

LD0809090795 Moscow ITAR-TASS in English 0858 GMT 8 Sep 95

[FBIS Transcribed Text] MOSCOW September 8 (Itar-Tass) — President Boris Yeltsin promised Friday that Russia will continue to increase aid to Serbia and hinted it may not only be of "humanitarian" character in case NATO continues air raids on Bosnian Serbs. However, he said he would not back Serbs if they demand to divide Sarajevo.

"We shall increase aid to Serbs and we shall see that if such NATO actions continue, then it aid may get hotter", Yeltsin told a press conference in answer to a question whether Russia may supply arms to Serbs.

On Thursday Yeltsin signed a law allowing food, fuel and humanitarian trade deals with Yugoslavia.

But the President insisted on a political solution of the Bosnian crisis instead of air raids and said "we do not want confrontation with the West".

"I have been calling on the world community: let us gather at a peace conference" which will include heads of the G-7, Russia, as well as the leaders of the conflicting parties.

"Let's sit down at one table and solve the problem. I am sure we shall solve it", the Russian president said, but stressed that joint efforts of Russia, the United States and European countries are necessary for that.

Yeltsin proposed to hold such a conference in Moscow in October, but said any other European venue will be appropriate.

The Russian President, however, stressed that he would not back Bosnian Serbs in case they demand to divide Sarajevo.

"I do not support the division of Sarajevo. I hope the Bosnian Serbs will not insist on that", Yeltsin said.

Promises Help for Serbs

LD0809084295 Moscow Radio Rossii Network in Russian 0800 GMT 8 Sep 95

["Excerpts" of news conference by President Boris Yeltsin at Kremlin in Moscow on 8 September — recorded]

[FBIS Translated Text] One may ask: Why is it that the Croats capture territory and conduct large-scale military operations, the Muslims have deployed 20,000 men against the Bosnian Serbs — and yet there are no sanctions against them, no-one is bombing them, and no questions are asked? Why only the Serbs?

Yes, it is true that a missile has, as it were, hit a safe area — in which, incidentally, the Russian peacekeeping forces are deployed. Why then are only the Serbs being punished? Why are those who are engaged in provocations not being punished?

This time the Security Council did not meet and take any decisions, and no-one ever asked Russia at all.

These bombings are inadmissible. So, taking into account our relations, Russian-Serbian relations, we have to respond appropriately to the actions by the Croats and the Croatian [as heard] Muslims, that is by helping the Serbs. We are already helping in humanitarian terms — I have already signed a law to this effect, and we are going to increase our help. Then, if these actions continue, we shall have to see — maybe something hotter will be on the way.

Therefore, I have been warning, and for one-and-a-half years already I have been urging the entire international community to convene a peace conference with the leaders of the G-8 and the leaders of the Serb republics [as heard]. Let us sit together and resolve this issue. I am convinced we shall resolve it. I call upon everyone to convene in Moscow in mid-October. Well, if you do not like Moscow, let us do it in any other city or town in Europe. Why are these matters being dictated from across the ocean, instead of being solved by the Europeans themselves.

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Yeltsin Approves Assistance For Displaced Serbs

LD0709184495 Moscow INTERFAX in English 1825 GMT 7 Sep 95

[Report by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others; from the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Sept 7 (Interfax) — President Boris Yeltsin has signed the federal law "On Measures to Render Humanitarian Assistance to the Union Republic of Yugoslavia in Connection with the Massive Abuse of Human Rights and of the Rights of Serbs in the Republic of Croatia", the presidential press service said.

The State Duma passed the law on August 12.

The law provides the legal basis for humanitarian assistance to the Union Republic of Yugoslavia "in connection with the massive abuse of the human rights and the rights of the Serb people in Croatia in the context of the operation of UN Security Council's sanctions against the Union Republic of Yugoslavia".

The law allows all Russian juridical persons irrespective of types of property and individuals registered in Russia as businessmen to perform commercial transactions with juridical persons in the territory of Yugoslavia on the condition those transactions provided for the export of humanitarian goods and services to Yugoslavia.

Russian juridical persons and citizens are also allowed to transfer money and ship humanitarian supplies to Yugoslavia to help the Serbs who have suffered from operations by the Croat army in Croatia.

Russian transport organizations and owners of means of transport are allowed to deliver humanitarian supplies to the Union Republic of Yugoslavia.

The law takes effect on the day it is published and will stay in force until the UN Security Council's sanctions are lifted from Yugoslavia.

Yeltsin Law Allows Humanitarian Deals With Yugoslavia

LD0709145495 Moscow ITAR-TASS in English 1417 GMT 7 Sep 95

[FBIS Transcribed Text] MOSCOW September 7 (Itar-Tass) — Russian President Boris Yeltsin signed a federal law on Thursday unilaterally softening the international embargo on Serbia.

The law creates a legal base for the export of goods and services of humanitarian character to Belgrade "within the current sanctions" imposed by U.N. on Yugoslavia.

The law allows Russian businessmen to sign trade deals with Yugoslav partners, provided they concern deliveries of goods and services of humanitarian character.

The law, passed by the State Duma on August 12, is called: "On measures to render the humanitarian aid to the Union Republic of Yugoslavia in connection with mass violations of human rights and the rights of the Serb people in the Republic of Croatia."

Further Reportage on Gonzalez, Santer Visit to Moscow

'Full Text' of Yeltsin Remarks

LD0709175895 Moscow ITAR-TASS World Service in Russian 1539 GMT 7 Sep 95

[FBIS Translated Text] Moscow, 7 Sep (ITAR-TASS) — Russian President Boris Yeltsin has held talks over a period of two days with Felipe Gonzalez, head of the Spanish Government. Jacques Santer, chairman of the European Commission, joined in these talks today. At the end of the talks Russian President Boris Yeltsin, in a conversation with journalists, commented on their results.

The full text of the replies given by the Russian head of state, issued by the press service of the president of the Russian Federation, follows below:

[Yeltsin] Esteemed journalists, for two days I have been working with the chairman of the Spanish Government who is also chairman of the EU Union and chairman of the West European Union.

Yesterday we mainly concentrated our attention on our bilateral relations and drew the conclusion that since my visit to Spain last year they have been developing rather successfully. Over this past year trade turnover increased by 15 percent immediately. We consider that this is a good result. We went on to agree to prepare a further range of documents and to sign a number of agreements that we have not signed up to now. Overall, there are no disagreements or differences of opinions with regard to bilateral relations; there are a number of major projects that we are going to implement on the territory of Russia by our joint efforts. These include the question of manufacturing railway rolling stock using Spanish technology; they include the question of the agroindustrial complex; they include the question of space, and a number of other questions. We also discussed a number of international questions, naturally.

Today we were joined by Mr. Santer, who is chairman of the European Commission. The discussion concerned cooperation and mutual relations between Russia and the EU on an economic and political level and Russia's

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entry into various European institutions. Also, of course, the question of Yugoslavia, European security, and others.

Well, that's the introductory bit. Now for your questions, please.

[Unidentified correspondent] Did you succeed in persuading your interlocutors to include Russia in the development of a security system?

[Yeltsin] Yes, we discussed this issue, and I expressed Russia's dissatisfaction over the fact that we are not being allowed to be a part of it, and Mr. Felipe Gonzalez, the chairman, said that, of course, this would be put right, and the Russian part of the working group will be merged together with the group which is now preparing the concept.

[Correspondent] Was there any discussion just now of the Russian president's statement on Bosnia?

[Yeltsin] Yes, of course, we have discussed the issues relating to the situation in the former Yugoslavia, and the discussion was energetic and stormy. Our points of view do not coincide on everything as we believe that the bombings are an inadmissible act, and though in a technical sense it is as if agreed with the United Nations, from the political point of view and in a broad sense we believe that NATO does not have the mandate to tackle such issues. And, of course, when the Croats are guilty no complaints are made against them; when the Muslims are guilty no complaints are made against them; but as soon as the Serbs are guilty complaints are made against them. Therefore, we said that talking is one thing, but in the end it may come to the Russian side's making some sort of appropriate responses.

At least, today I signed a decree on humanitarian aid to the Serbs. On the whole, we agreed on one thing: the line is toward a peaceful settlement, toward holding a general peace conference with the heads of the major states and Yugoslav republics taking part, in Moscow or another country, preferably in the middle of October on the whole. Mr. Gonzalez and Mr. Santer agree; they also share the same position but they also justify the bombings. Unfortunately, we disagree on this.

[Correspondent] Do the bombings in Bosnia produce any results?

[Yeltsin] They have never produced the required result, if you recall previous bombings. And no good will come of these bombings either. The process which is now under way in Yugoslavia will not be resolved by force, all the same. It will then spread to other countries of Europe. This is inpermissible. We have not yet made use of all the steps of a peaceful settlement; we have not yet all sat down together at the negotiating table. Everyone is trying to act in isolation.

[Correspondent] What was achieved in the discussion of questions of relations between Russia and the EU?

[Yeltsin] There is still a certain lack of agreement between us on this. We are not in an equal position with other countries of Europe in the EU; we are not members of the Council of Europe, therefore we consider that a certain amount of discrimination is practiced against Russia. But I insist that Russia, as always, for many hundreds and thousands of years, has been and still is a European country, that we should be members of all European and world organizations of which European countries are members, that we should be in the Council of Europe, that all trade discrimination should be ruled out and that we should be absolutely equal with every country of Europe. Although one cannot fail to note that 40 percent of our trade at present is with the countries of the EU and this has literally been achieved in the past two years.

Daily: Yeltsin 'Tirades' Aimed at Public

MM0709142695 Moscow IZVESTIYA in Russian 8 Sep 95 p 3

[Report by Leonid Mlechin: "President and Duma Vying in Their Criticism of NATO"]

[FBIS Translated Text] Boris Yeltsin, who stated the day before that he might review all relations with the West unless there is an end to the NATO bombardment of the Serbian positions around Sarajevo, was equally terse at the meeting with Spanish Prime Minister Felipe Gonzalez.

Boris Yeltsin accused NATO of double standards on the grounds that it forgives the Muslims and Croats, but not the Serbs. The former might be chided but the latter are being bombed day in, day out.

The Russian president's words might have had more serious political consequences had he used the same tone when speaking with German Chancellor Helmut Kohl rather than with the Spanish premier. Germany now plays a key role in defining NATO's policy toward Bosnia. But Spanish Prime Minister Felipe Gonzalez has virtually no involvement with Bosnian affairs and is merely performing the honorary role of temporary president of the EU.

Foreign policy is determined not by public statements but by talks behind closed doors. Consequently it may be concluded that Boris Yeltsin's heated tirades are designed not for foreign consumption but for the domestic audience, to pacify the Russian public. That

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is how the Russian president's words will be received in the NATO countries and they will have hardly any practical significance.

Yeltsin was in effect responding to the Duma Council's decision to discuss the Bosnia situation on Saturday. Deputies have attacked the government and Foreign Minister Andrey Kozyrev personally for their inability to halt the NATO raids.

No one can derive any pleasure from bombardments and deaths. However, it should not be forgotten why NATO aircraft are bombing the Serbian positions. Sarajevo is a big, densely-populated city, ringed on all sides by hills with Serbian artillery on the top of them. I have been to Sarajevo, a city where you can only move around in APCs, and I can testify that shelling it has no military purpose — the Serbian guns are killing only peaceful civilians.

The Serbs are being told to withdraw their heavy artillery 20 km from the city and enable the city to return to a normal life. Moscow's complaint is that it is being ousted from Bosnian affairs. But what is stopping Russian diplomats from persuading General Mladic's army not to shell the city and thereby save the lives of Serbs, Muslims, and Croats?

Gonzalez on 'Differences' Over Strikes

LD0709194195 Moscow INTERFAX in English 1744 GMT 7 Sep 95

[By diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others; from the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Sept 7 (Interfax) — Spanish Prime Minister Felipe Gonzalez, who is also the head of the EU Council, has admitted that there are differences between the Russian Federation and the European Union concerning NATO's air strikes against Bosnian Serb positions. He made this statement at a joint news conference in Moscow on Thursday with EU Commission Chairman Jacques Santer after their talks with Russian President Boris Yeltsin in the "one plus two" composition.

According to Gonzalez, the European Council gives its backing to the NATO air strikes in Bosnia whose aim is "to achieve the observance of the UN Security Council's resolutions concerning the UN protection zones". "Russia does not share this view," he said.

Gonzalez said it is important that a meeting of foreign ministers of the Union Republic of Yugoslavia, Bosnia-Herzegovina and Croatia due in Geneva on Friday reach an agreement on peaceful settlement of the conflict.

According to the Spanish prime minister, air strikes do not solve the problem and "the military solution of the Yugoslav conflict does not exist".

For his part, Santer, having backed NATO's air strikes, also spoke in favor of "the political, not military solution" of the crisis in the Balkans. "This is the fundamental goal," he said.

Santer also said that Russia should play an active role in the settlement process so that the conflicting parties adopt the Contact Group's peace plan.

Santer expressed hope that at the forthcoming Geneva meeting on Yugoslavia, those present will reach an agreement which will open the way to the holding in mid October of an international conference on settlement in the former Yugoslavia, which was proposed by Russian President Boris Yeltsin.

According to Santer, his meeting with Yeltsin was aimed at promoting contacts between the Russian Federation and the European Union.

"Our goal is to establish the relations of partnership with Russia," he said.

Santer expressed hope that the interim trade agreement between Russia and the European Union, which was signed in Brussels in July, would come into effect until the end of the year 1995.

Commenting on Yeltsin's statement on Bosnia which was released on Thursday, Gonzalez expressed hope that Russia would continue maintaining its relations with NATO.

The Russian president's statement says that if the NATO aviation and artillery continue their bombardments against Bosnian Serbs, Russia will have to weigh up those circumstances thoroughly, our strategy, including our approach to the relationships with the North Atlantic Alliance."

"Russia and NATO have disagreements, which are difficult to overcome," he said. "However, this should not annul those agreements, which have already been signed between the Russian Federation and NATO within the framework of the Partnership for Peace program.

"We do not want another division of Europe," said the Spanish prime minister.

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Santer Discusses Bosnia Situation

LD0709144195 Moscow Russian Television Network in Russian 1300 GMT 7 Sep 95

[Video report by correspondent A. Peslyak; from the "Vesti" newscast]

[FBIS Translated Text] Jacques Santer, chairman of the European Union Commission, has just given an interview to the "Vesti" program in which he clarifies the differences of opinion with Russia. [video shows Santer speaking to correspondent]

[Begin Santer recording in French with superimposed Russian translation] We have always thought that NATO should not play a military role, but one must react to some actions on the part of the warring sides in the former Yugoslavia. To be more precise, we aim to achieve practical implementation of the UN resolution. We do not think that the air raids mean that an offensive policy is being carried out. These raids have enabled NATO to save the civilian population in the conflict areas. [end recording]

In Santer's opinion, this issue should not impede the mutual desire of the leaders of Russia and the European Union to bring their stands closer together with regard to the former Yugoslavia.

[Begin Santer recording in French with superimposed Russian translation] We pin great hopes on the Geneva meeting which, in the event it is successful, can become a prelude to the October summit meeting which Russia proposes to host in Moscow. [end recording]

Views Prospects for Future Cooperation

LD0709202295 Moscow Russian Television Network in Russian 1900 GMT 7 Sep 95

[Video report by A. Peslyak from the "Vesti" newscast]

[FBIS Translated Text] Jacques Santer hopes that even if a major agreement on partnership and cooperation between Russia and the EU is only ratified by all sides in a year or two, then a temporary agreement on trade and economic cooperation signed on 17 July will come into force before the end of the year.

[Begin Santer recording, in French fading into Russian translation] The 15 countries in the EU now account for 40 percent of Russia's foreign trade turnover. The volume of trade grew a further 15 percent in 1993-1994, and your country has a 6 million-ECU trade surplus. [end recording]

Asked by "Vesti" about restrictions on the export of furs, textiles, and nuclear materials from Russia, Santer said that everything must be sorted out by a later experts' meeting. That is the way we can solve the problem with aluminum exports. According to Santer, much will depend on the speed of Russia's entry into the WTO. You are the EU's immediate neighbor now that Sweden and Finland have joined. And we do not want to draw new borders for Europe. So we think we have to improve our foreign policy and security concepts in the EU to bring them into line with the Western European Union and NATO policies. We have a direct interest in a relationship of trust, consistency, and partnership with Russia, he said.

Chernomyrdin 'Satisfied' With Talks

LD0709141095 Moscow INTERFAX in English 1232 GMT 7 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 7 (Interfax) — Russia's Prime Minister Viktor Chernomyrdin is "quite satisfied" with the talks held in Moscow with his Spanish counterpart Felipe Gonzalez [chairman of the European Union] and with the chairman of the European Union Council Jacques Santer, "primarily with the progress reached in the issue of Russia's admittance to the European Union." Chernomyrdin said so in an interview with journalists on Thursday, after a working luncheon given in honor of Gonzalez and Santer at the Lenin Hills residence.

For his part, the Spanish premier said in answer to a question about his attitude to Moscow's stand on the Bosnian problem that he is not in a position to assess Russia's official stance. Moscow's attitude is such as it is, and it differs from ours, Gonzalez stated. According to him, the main thing is that the Contact Group has already begun to work for the purpose of resolving the situation on the Balkans.

Nevertheless he agreed with Russia's view that it is impossible to settle the crisis in the former Yugoslavia by military means.

Spokesman: Bosnian Air Raids Threaten UN Peace Effort

LD0709145195 Moscow ITAR-TASS in English 1414 GMT 7 Sep 95

[By Vladimir Suprun]

[FBIS Transcribed Text] MOSCOW September 7 (Itar-Tass) — NATO air raids and other combat operations against Serbs in Bosnia and Herzegovina carry a threat to cause "very serious damage" to the peace efforts of the U.N. and to the image of the U.N. Security Council, Russian Foreign Ministry spokesman Aleksandr Gorelik told reporters today.

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Gorelik, who is director of the Foreign Ministry International Organisations Department, said Russia is "stubborn" with this view at the Security Council.

Commenting on the Security Council's stance, Gorelik said he thought most of its state members saw the combat operation under U.N. and NATO flags as appropriate.

"However, there are some who think quite differently, but choose not to speak openly at the Security Council," Gorelik said.

Kozyrev Discusses Reaction to NATO Air Strikes

LD0709230095 Moscow Russian Public Television First Channel Network in Russian 1755 GMT 7 Sep 95

[From the "Moscow, Kremlin" program]

[FBIS Translated Text] For a long time the situation in the Balkans has been at the center of world politics. The recent events in Bosnia are being discussed at the highest level. The massive NATO air strikes against positions of the Bosnian Serbs have provoked an unequivocal reaction in Moscow: the Russian leaders have condemned the actions of the Western powers and demanded that they seek a way out of the Balkan deadlock exclusively by peaceful means; at the same time they are expressing concern that NATO's involvement in a military confrontation with the Serbs may bring to nothing the hopes for a peaceful settlement in Bosnia.

Meanwhile, the State Duma deputies will convene for an emergency session on 9 September. The unleashing of the war in the Balkans by NATO and Russia's position are on the agenda.

Russian Foreign Minister Andrey Kozyrev talks about the core of the problem in the "Moscow, Kremlin" program.

[Begin Kozyrev recording] I have a feeling that some opposition parliamentary factions are proceeding from the premise the worse the better, particularly in the circumstances of the election campaign. In actual fact, of course, the issue has been raised in an unprofessional manner. Raising the issue in such a manner can only damage Russia and our interests.

The situation is very complicated. It has been made even more complicated by the fact that NATO's actions are being based on the direct request of the United Nations. All this is being done following a request from the United Nations.

After the air strikes we demanded what the Duma is only going to demand in a draft resolution proposed by Lukin. It is strange that he does not even know the actual facts. In actual fact we immediately demanded a session of the UN Security Council, but unfortunately at that meeting of the Security Council — it would do no harm to those who have gotent involved in convening an emergency Duma sitting to know this, they should at least know the facts: if one is not strong in analysis, at least one should know the facts — so, the meeting unfortunately demonstrated that the majority of the other members of the international community, moreover not only the NATO countries but also neutral states and developing countries, on the whole think that these NATO air strikes were in order, they agreed to them, you know, and our voice sounds rather lonely, unfortunately. One must say that there are several other voices to the same effect but still our voice sounds rather lonely in general.

What conclusion can one reach? To be silent? No, we are not silent, we are confident that we are right and we are defending our position. But one can also reach a conclusion along the lines the loud part of the State Duma seems to be expecting from us, that is to make un unnecessary fuss and enter confrontation with the rest of the world.

Incidentally, even the Serbs themselves are not doing this. Serbian President Slobodan Milosevic, who has recently visited Moscow and with whom we are actively working on all these matters, is still holding talks with the Americans, and with us and the EU, that is, inter alia, with the NATO countries. Because everyone realizes — mind you, Milosevic also condemns the air strikes — that one cannot toe the NATO line in this operation and destroy everything.

Yes, we are against the NATO operation but we can see the reality around us. We are advocating our position but we are not going into confrontation with the whole world around us. We continue the most important thing and the most important thing are political efforts to bring the situation back on a peaceful track.

In other countries, when confronted with such difficult situations, people unite. Why? Because the country comes across a complicated international crisis and people unite to overcome this external crisis. In our country, on the contrary, Lukin speaks on television and says: the American plan, the plan of the American President is good, it just needs to be improved a little, but Russia has no plan at all. As if there had been no statement by the president, as if it had not been published, and as if it had not been a document containing at least 10 or 15 perfectly concrete proposals. Either people have forgotten how to read, as the man in that anecdote who is not a reader but a writer, that is, they are only listening to themselves. Or perhaps

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his place is in the American parliament where he can support the plan of the American President since it seems he knows it better. I simply cannot imagine that a chairman of the foreign affairs committee at the American or French parliaments would say that Yeltsin's plan is good, it just needs to be improved a little — although many people may think this — but our country has nothing. This is simply not possible. This could only happen in this country. [end recording]

At the end of this week Andrey Kozyrev is to visit Bulgaria and Greece. The range of questions to be discussed there is very wide but the main problem is obvious.

[Begin Kozyrev recording] This is a scheduled trip, of course. We need to strengthen relations with Bulgaria. Bulgaria is traditionally... [pauses] I don't have to explain the essence of Russian-Bulgarian relations. We have something to talk about and our relations are developing in an upward direction at present. They are based on personal contacts between our presidents. Their president has been here and he will soon come again. Viktor Stepanovich Chernomyrdin has been (?there). Our economic relations are developing very well at present. Well, the foreign ministers also should develop relations.

And Greece, of course. You know, I speak on the telephone with the foreign minister of that country almost every day. Why? Because Greece is a state with an overwhelmingly Orthodox population. It is a Balkan country, like Bulgaria. And, of course, these are the two countries with whom we have very close positions on the Yugoslav issue. Incidentally, Greece is a member of NATO and the EU. Therefore, of course, during this visit there will be the most serious work, concrete work to seek additional reserves. This is not a position whereby I support the plan of the American President and do not notice any efforts by my own country. This is just dirty diplomatic work which consists of continuing contacts with the West, as we do, and at the same time looking for allies, who will better understand us in the Balkans. Of course, these include Bulgaria with whom we are kindred spirits and, of course, Greece with whom we are close in our approaches and are kindred spirits too, despite the fact that it is a member of NATO and the EU. [end recording]

In Andrey Kozyrev's words, it is necessary to work with concrete states since NATO consists of concrete states. What has been achieved by talks should not be lost. And, of course, one should overcome the crisis with dignity.

[Begin Kozyrev recording] The president's position is dignified, solid, and calm, and very firm at the same time, as you said. We express our position very clearly: where we disagree with NATO, we do disagree. But there are other fields in which one needs to work and we will work. [end recording]

Rybkin Views 'Mass Murders' in Former Yugoslavia

LD0709153195 Moscow Russian Television Network in Russian 1300 GMT 7 Sep 95

[From the "Vesti" program]

[FBIS Translated Text] On the eve of an extraordinary session of the Russian State Duma scheduled for next Saturday, Duma Speaker Ivan Rybkin today has quite clearly formulated the stand of the Russian parliament with regard to mass murders of the civilian population in the former Yugoslavia:

[Begin Rybkin recording] [video shows Rybkin speaking at a news conference] The right of force should not triumph anywhere in the world. There should be the force of right. There should not be double standards. This double standard has been fully demonstrated in Yugoslavia. It is very dangerous for Europe. It is not a cold war at all, it is a real hot war in full swing there. Hundreds and hundreds of people are dying there. In this situation, we stand against the mass extermination of peaceful civilians, no matter what excuses are used to cover this. We are saying that the mandate for actions of large armed formations in Europe, if needed under exceptional circumstances, should be issued by the Organization for Security and Cooperation in Europe.

Some things are not seen from New York. It is not overseas there that the walls of buildings are shattered and collapsing, but here, in good old Europe. Europe is too small for such conflicts. Just imagine that two S-300 complexes are delivered there tomorrow. What is to become of the pilots who are in fact shelling unarmed people? I am not justifying the maximalist and extremist stand of Karadzic, and in no case should one become an extremist, in no case at all. [end recording]

Gromov: 'Neither Serbs Nor Muslims' Shelled Sarajevo

LD0709143795 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1350 GMT 7 Sep 95

[FBIS Translated Text] Colonel General Boris Gromov told journalists today that neither Serbs nor Muslims carried out the shelling of Sarajevo in which 57 people died, an Ekho Moskvy station correspondent reports. According to Boris Gromov, it was carried out "by a

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completely neutral side, which is today taking part in raids on the Serbs."

Boris Gromov declared: "I have in mind a country which did this." He declined to state precisely who carried out the shelling of Sarajevo, but commented that the public will soon find out about this. In the colonel general's opinion, this was "an absolute provocation."

B. Gromov also declined to identify the source of his information, pointing out, however, that it did not come from the Ministry of Foreign Affairs.

Official Outlines Stance at Upcoming UN Assembly

LD0709183195 Moscow ITAR-TASS in English 1750 GMT 7 Sep 95

[By Vladimir Suprun]

[FBIS Transcribed Text] MOSCOW, September 7 (Itar-Tass) — Director of the department of international organisations of the Russian Foreign Ministry Aleksandr Gorelik at a meeting with journalists today has outlined Russia's stance at the forthcoming UN General Assembly. "In the post-bloc world the UN should remain a central element in the developing international relations," he said.

"In the area of maintenance of international peace and security the Russian delegation will proceed from the assumption that it is necessary to give priority to early prevention of international conflicts and preventive diplomacy in a broad aspect. Russia will seek to ensure that security be guaranteed not only to a state, but to a private individual as well. Finally, the UN should enhance its ability to promptly respond to crises", the diplomat said. He pointed out that Russia was prepared to cooperate with other states in fostering the realization of the fact that genuine stability is impossible without steady development.

Italian Foreign Minister Arrives for Talks
Meets Kozyrev on Bosnia Situation

LD0709122795 Moscow ITAR-TASS World Service in Russian 1131 GMT 7 Sep 95

[By ITAR-TASS diplomatic correspondent Dmitriy Gorokhov]

[FBIS Translated Text] Moscow, 7 Sep — Russia proposes that the talks with those involved in the Bosnian conflict on behalf of the Contact Group be conducted by a "threesome" comprising Russia, the European Union, and the United States. Russian Foreign Minister Kozyrev said today that he told Italian Foreign Minister Susanna Agnelli about "President Yeltsin's proposals that the Contact Group operate as a 'threesome.'" Kozyrev explained that means efforts being made "not by a single representative of any country and not in disunity; it means representatives of Russia, the European Union, and the United States working as a coordinated mechanism, a group of negotiators in the shape of a 'threesome.'"

"This can be a flexible format but it is important to act in concert," the minister continued. He thinks such a "threesome" could include First Deputy Foreign Minister Igor Ivanov; Carl Bildt, head of the European Union's mediation mission, from the European Union; and Assistant Secretary of State Richard Holbrooke from the United States. Such a "threesome" working together would bring closer the achievement of a settlement and would make it possible to put into action more effectively all the possibilities which Russia, the United States, and the European Union have at their disposal."

Andrey Kozyrev stressed that Susanna Agnelli reacted positively and with interest to this idea. "We share the opinion that the manifest and rather sharp disagreements over the NATO air strikes should not obscure our adherence to seeking a political settlement of the conflict," the Russian foreign minister said.

Discusses Cooperation With Chubays

LD0709120695 Moscow INTERFAX in English 0946 GMT 7 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 7 (INTERFAX) -- Russia's First Deputy Prime Minister Anatoliy Chubays had an extended conversation in Moscow on Thursday with the Italian Foreign Minister Susanna Agnelli, the cochairperson of the Russian-Italian Council for Economic, Industrial and Financial Cooperation. INTERFAX learned this from the press service of Russia's government.

Italy is Russia's third-largest trade and investment partner.

According to the relevant communique, the two sides noted the intensive character of bilateral trade and economic ties, and "agreed to step up the launching of new mechanisms for economic cooperation."

The conclusion of work on an agreement to encourage mutually protecting investment and avoid double taxation would be conducive to a fuller use of the rich potential that exists in relations between Russia and Italy, Chubays and Agnelli pointed out.

They also discussed ways to ensure for Russia fuller integration into the world economy, particularly the practical aspects of Russia's interaction with international economic and financial institutions.

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As the press service said, the two sides exchanged views on prospects for relations between the Russian Federation and the European Union in the light of the agreement on partnership and cooperation between them. The agreement should go into effect as soon as possible, they said.

Cites 'Mounting Progress' in Ties

MM0709101495 Moscow ROSSIYSKIYE VESTI in Russian 7 Sep 95 p 3

[Report by RIA-NOVOSTI correspondents Igor Pushkarskiy and Viktoria Sokolova: "Contacts Plus Contracts"]

[FBIS Translated Text] Rome — Susanna Agnelli, the Italian foreign minister, arrived in Moscow yesterday. On the eve of her trip she answered the questions of RIA-NOVOSTI corespondents in Rome Igor Pushkarskiy and Viktoria Sokolova at ROSSIYSKIYE VESTI's request.

Touching on Russian-Italian relations she said that the Italian Government notes with great satisfaction the mounting progress in the development of relations between our two countries, particularly in recent years. The level of their relations and the intensiveness of bilateral contacts are encouraging the Italian Government to proceed along the path it has outlined. The best proof of their quality was the signing in Moscow 14 October 1994 of the Italian- Russian "treaty on friendship and cooperation" which was updated in virtually all articles.

There is no doubt that these results were achieved thanks to the course steered by the Russian Government in the domestic policy field. We know well and approve of the social, political, and economic transformations which have been effected in recent years in the country. Italy intends to continue to promote the development of all these processes. We realize that only a stable Russia continuing to strengthen its positions in the ranks of the industrially developed and democratic countries can be a fundamental factor for peaceful settlement and the creation of a climate of stability and cooperation in Europe.

In Susanna Agnelli's opinion to resolve the Balkan crisis it is essential to pool the efforts of all sides interested in the peaceful solution of the conflict. So the elaboration of a joint plan of action by Russia, the United States, and the EU seems essential.

Kozyrev Pays Official Visit to Belgrade; Holds Talks

Visit Aims To 'Intensify' Dialogue

LD0709192595 Moscow INTERFAX in English 1536 GMT 7 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 7 (INTERFAX) — Russian Foreign Minister Andrey Kozyrev's working visit to Bulgaria and Greece aims to "intensify Russia's political dialogue with those countries."

Kozyrev said on Thursday before leaving for Bulgaria and Greece that the other aims of his tour are to discuss steps to help settle the Yugoslav conflict, and to help ensure political backing for a potential pipeline Burgas-Alexandroupolis.

Kozyrev particularly stressed what he called the balanced position of Greece as a member of NATO and of the European Union concerning the Yugoslav crisis, noting that Greece is "situated in the center of the Balkans and its stand is very close to Russia's position". According to Kozyrev, this indicates once again the fact that the more the countries know about the real state of affairs, the more they are concerned about the continuing NATO air raids, which will not help settle the conflict."

Kozyrev said that "Russia's objections against the air strikes should not be confused with the Russian president's policy aimed at developing friendly relations with the NATO member-states.

Speaking about the Duma Council's statement and its proposal to the Russian president to relieve Foreign Minister Andrey Kozyrev of his post "for his and his ministry's numerous serious mistakes in their Balkan policy, which have discredited the Russian Federation and the Russian president", Kozyrev said that "deputies face many problems due to lack of information". Kozyrev believes that the forces which have a weak position in the election campaign but which seek higher rating and so use incompetent approaches, prevail in the Duma.

Kozyrev said that in line with the Constitution, foreign policy matters are the prerogative of the Russian president.

He said that he did not intend to cancel his visit to Bulgaria and Greece when he learnt about the meeting of the Duma Council. At the same time, Kozyrev said that the Foreign Ministry is prepared to continue cooperation with the parliament, if the parliament backs the Russian president's efforts aimed at the peaceful settlement of the conflict in the Balkans".

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Holds Talks With President Zhelev

LD0709205195 Moscow ITAR-TASS in English 2029 GMT 7 Sep 95

[By Vladimir Abrosimov and Andrey Urban]

[FBIS Transcribed Text] SOFIA, September 7 (ITAR-TASS) — Today Bulgarian President Zhelyu Zhelev received Russian Foreign Minister Andrey Kozyrev, who is on an official visit to this country. The Bulgarian head of state expressed his support to democratic and reformative forces of Russia during the meeting. The Russian minister conveyed him friendly good wishes to him from Russian President Boris Yeltsin.

This was revealed to journalists by Kamen Velichkov, adviser on Foreign policy affairs to the Bulgarian President. According to him, during the talks between the two leaders attention was focussed mainly on issues related to the creation of a future system of security in Europe and the situation on the Balkans.

The Bulgarian President, in particular, noted that his country has the sovereign right to make a decision on its membership of NATO. At the same time, he emphasized that "nobody in Bulgaria views this as an act directed against Russia". Zhelyu Zhelev and Andrey Kozyrev exchanged views on the prospects of "resolving the Yugoslav crisis".

Bulgarian Foreign minister Georgi Pirinski took part in the meeting. Officials of Foreign departments of the two countries informed the Bulgarian Head of State of the outcome of the talks held between them.

Greeted by Prime Minister

LD0809102595 Moscow ITAR-TASS in English 0944 GMT 8 Sep 95

[By Vladimir Abrosimov and Andrey Urban]

[FBIS Transcribed Text] SOFIA September 8 (ITAR-TASS) — The importance of a further development of the potential for cooperation between Bulgaria and Russia on the strength of documents, which were signed during Russian Premier Viktor Chernomyrdin's visit to Sofia in May, has been pointed out by Bulgarian Prime Minister Zhan Videnov and Russian Foreign Minister Andrey Kozyrev, who is currently here on an official visit.

The participants in Friday's meeting, which was also attended by Bulgarian Foreign Minister Georgi Pirinski, agreed that appreciable positive changes have already begun to show this year in the restoration of traditional business contacts between the two countries.

The two sides expressed interest in further joint efforts within the framework of the Black Sea economic cooperation forum and in the implementation of joint projects concerning the transportation of natural gas and oil from Russia to the Balkans.

Following the meeting with the Bulgarian Prime Minister, Kozyrev visited the Russian church, built in Sofia in honour of the Russian servicemen who had perished in the battle for the liberation of Bulgaria during the 1877-1878 Russo-Turkish war. He also laid a wreath at the Unknown Soldier's Tomb commemorating the Bulgarians who had perished on the battlefields.

[In an identically datelined report, Moscow ITAR-TASS in English at 0940 GMT on 8 September adds: "Head of the Bulgarian government Zhan Videnov will pay a visit to Moscow on September 18, 1995, Russian Foreign Minister Andrey Kozyrev said today at a concluding press conference on the results of his official visit to Bulgaria.]

["As the Russian foreign minister specified, he conveyed a corresponding invitation of the Russian Prime Minister Viktor Chernomyrdin to Zhan Videnov and the latter excepted it with gratitude."]

Praises Talks With Counterpart

LD0709192395 Moscow ITAR-TASS in English 1830 GMT 7 Sep 95

[By Vladimir Abrosimov and Andrey Urban]

[FBIS Transcribed Text] SOFIA, September 7 (ITAR-TASS) — Russian Foreign minister Andrey Kozyrev, who is on an official visit in Sofia, expressed his satisfaction with talks held with his Bulgarian counterpart Georgi Pirinski today. Talking to journalists, Kozyrev noted that the outcome of the exchange of opinions on a wide range of issues exceeded his expectations. The dialogue was specific and substantial, testifying to the mutual trust, the Russian minister said.

The heads of the Foreign ministries discussed separate aspects of the European integration process, the situation on the Balkans and issues related to regional and bilateral cooperation. After concluding the talks the ministers signed a Consular convention between Russia and Bulgaria. It will replace a similar document, on the basis of which relations between the former Soviet Union and Bulgaria were regulated.

Russian and Bulgarian experts, who worked out the new convention, tried to preserve all valuable and positive, simultaneously bringing its provisions in conformance with new realities and international standards. A working plan of consultations between Foreign ministries of Russia and Bulgaria for 1995-1996 was also signed.

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Andrey Kozyrev especially noted that cooperation between Russia and Bulgaria is not directed against any third country. On the contrary, all states in Europe and on the Balkans will only gain, if our countries understand each other better, the Russian Foreign minister said.

Yeltsin Fears France Creating New Nuclear Weapons

LD0809095995 Moscow ITAR-TASS in English 0948 GMT 8 Sep 95

[FBIS Transcribed Text] MOSCOW September 8 (Itar-Tass) — President Boris Yeltsin fears France has launched a series of nuclear tests in order to create a new type of weapon of mass destruction and is going to clarify the doubts at a personal meeting with President Jacques Chirac in October.

"This was the wrong decision", Yeltsin told a press conference Friday referring to the resumption of French N-tests.

"I do not think it was a routine test, I believe it was, probably, linked with a certain new weapon", Yeltsin said adding that he plans to meet Chirac on the way to New York where he is to address the United Nations in connection with the 50th anniversary of the organisation.

"I shall leave for New York a day earlier so that to make a stop-over in Paris and to speak with Jacques Chirac at least for one evening", Yeltsin said.

"We are working to ensure the final signing of the treaty on the universal ban of nuclear weapons. This will be the beginning of the complete end to nuclear weapons because if there are no tests they will not be improved. If there is no improvement they will get outdated both physically and morally itself. And that is all to it", Yeltsin said.

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Political Issues

Yeltsin Addresses Various Issues at News Conference

Comments on Upcoming Elections

LD0809102395 Moscow Mayak Radio Network in Russian 0900 GMT 8 Sep 95

[FBIS Translated Text] Russian President Boris Yeltsin's news conference for Russian and foreign journalists ended in the Kremlin half an hour ago. Before answering questions from journalists, the head of state made this introductory statement:

[Begin Yeltsin recording] The political situation is currently quite difficult, of course, in view of the upcoming elections to the State Duma. Naturally, many political parties, movements, and blocs are engaged in this and will be until the elections. They are going to become more vigorous and aggressive as the elections approach.

Later we will have elections to local authorities. You know that the law on local self-government, which we have been preparing for nearly two years, has now finally been signed. These elections are to take place in the beginning of next year. The third stage is the presidential election, due in the middle of next year.

It is obvious that this period will be full of turbulent events and turbulent relations between some people.

What certainly worries me in terms of the present State Duma election campaign is the fact that there are so many parties — 250 in all. True, people are trying to reassure me by saying that the same thing happened in Czechoslovakia, Poland, and Hungary, yet these worries persist. It is true that only about 50 parties, movements, and blocs are taking an immediate part in the election campaign, but this division is there and it certainly weakens them, and many of them will obviously not attain the minimum percentage of votes required by the Constitution and the elections law.

You may ask me, of course, what my personal preferences are, what I as president think of these elections, and what part the president is playing in these elections to the State Duma. First of all, in political terms I am not going to take any part, of course. As president, I am the guarantor of the elections to the State Duma and I have to ensure that they are held on equal terms for all the movements, parties, and voters and to ensure that they are held in a calm atmosphere. That is my job.

Naturally, I will support to some extent those movements, parties, and blocs that advocate in their manifestoes further democratization in Russia, continuation of reforms at a faster rate, and, of course, social protection for the people. If, however, some parties use anti-constitutional slogans in their manifestoes, speeches etc., I will obviously not support them; moreover, criminal proceedings will be instituted against them.

I have, of course, strong reservations about the possibility of criminal elements becoming Duma deputies. This is without doubt very dangerous under any circumstances. One would like our State Duma to be civilized.

After all, the legislators will have a lot of work to do. We are short of laws on combating crime, on banking, on judicial reform, and so on and so forth. Of course, I believe the elections must be honest.

As for the economic situation, it is improving somewhat but not a great deal, and at present we cannot say that Russia has reached stabilization. But there are elements of stabilization, and this is confirmed by the following figures: last year inflation was at 17.5 percent at this time of the year, and today it is 4.6 percent. Last year the decline in output was 24 percent, and today it is 3 percent, and there is even an increase in output in many industries. I think that by the end of the year industrial output will be generally on the increase.

The last few weeks have been rather hectic and I have on my desk a number of serious publications, analytical reports which need to be seriously examined. Briefly, I am going on leave in the next few days, and I think that during that time it will be possible to work out a number of fundamental decisions with regard to future strategic matters and to consider the further development of our Russian Federation. [end recording]

Blames Ukraine's Kuchma for 'Tensions'

LD0809102195 Kiev UNIAN in Ukrainian 0930 GMT 8 Sep 95

[FBIS Translated Text] Moscow — "I will not go to Ukraine until all major issues of Russian-Ukrainian relations are settled," Russian President Boris Yeltsin told a news conference for Russian and foreign journalists, which was held in the Kremlin today, a UNIAN correspondent has reported from Moscow.

In the opinion of the Russian president, Leonid Kuchma is personally responsible for the tensions in relations between Moscow and Kiev. Yeltsin is surprised at the stand taken by the Ukrainian president who, in Yeltsin's opinion, "is regularly changing his mind, especially regarding the status of the Black Sea Fleet and the issue of dividing it."

In Yeltsin's opinion, Kuchma is under significant influence of his entourage, who do not wish to improve relations with Russia.

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'Not Satisfied' With Foreign Ministry

LD0809102495 Moscow ITAR-TASS in English 1006 GMT 8 Sep 95

[By Oleg Velichko]

[FBIS Transcribed Text] MOSCOW September 8 (ITAR-TASS) — Russian President Boris Yeltsin said he is not satisfied with the work of the Russian Foreign Ministry. Speaking at a news conference on Friday the Russian President recalled that at a recent collegium of the Foreign Ministry he pointed out, without mincing words, the Ministry's errors and shortcomings, and aspects in which Russia loses in the international arena because of the drawbacks in the Ministry's activity. "If the situation is not remedied, appropriate conclusions will be called for," the President said.

Regarding the nuclear test staged by France, Yeltsin said that it was a "wrong decision, moreover, as it was not a trifling matter". "Russia, quite the contrary, is doing its utmost toward the ultimate signing of the treaty on the general ban on nuclear weapon tests," Yeltsin said. "This will be the beginning of an end to nuclear weapons." "If there is no nuclear weapon testing, nuclear weapons will not be perfected," he said.

Yeltsin noted that before the United Nations anniversary celebration in New York in which he would participate he would meet French President Jacques Chirac in Paris.

Regarding the Russo-Lithuanian interstate relations, the President said he has sympathies for Lithuanian leaders. "Our peoples have been friends and should remain friends, no matter what," Yeltsin said. "The encrustations that appeared between our countries after the breakup of the former Union will gradually be removed, and we shall be living in peace and friendship," Yeltsin said.

He said that bilateral working commissions were functioning, agreements were being signed, trade was conducted.

Yeltsin noted it is unpleasant to Russia that Estonia "is raising the question of frontiers now and again," although he admitted that "things became quieter now that the Russian President had gone to the frontier and installed a frontier post there". "Russia's relations with Baltic countries are improving and will be normal and civilised," Yeltsin said.

To Leave For Sochi on Vacation

LD0809115495 Moscow INTERFAX in English 1039 GMT 8 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 8 (INTERFAX) — President Yeltsin is leaving for Sochi on vacation on Sunday.

He told a news conference in Moscow that his plane will leave Moscow's Vnukovo-2 airport at 10:00 on Sunday.

Sources in the presidential staff have said that Yeltsin's vacation would probably last two weeks.

Yeltsin Expresses Dissatisfaction With Prosecutor

LD0809085895 Moscow ITAR-TASS World Service in Russian 0812 GMT 8 Sep 95

[FBIS Translated Text] Moscow, 8 Sep (ITAR-TASS) — Russian President Boris Yeltsin is not satisfied with the work of Aleksey Ilyushenko, the acting chief prosecutor of the Russian Federation. The head of state said this at a news conference which took place today, and he stressed: "I could hardly recommend him again for the post of chief prosecutor."

Ilyushenko Responds to Criticism

LD0709183995

[FBIS Editorial Report] Moscow Russian Television Network in Russian at 1625 GMT on 7 September in its "Details" program shows a 10-minute recorded interview with Aleksey Ilyushenko, acting prosecutor general of the Russian Federation. He is interviewed by correspondent Nikolay Svanidze.

Svanidze begins with the following question: "Very stern opinions and comments about the prosecutor's office, and about you personally have been made recently from behind the Kremlin wall. I can enumerate them: Presidential administration head Sergey Aleksandrovich Filatov said lately that your actions were discrediting the authorities; in today's interview presidential press secretary Sergey Medvedev — as we know, the press secretary rarely expresses his own point of view — criticized you for treating the media in a harsh way; and finally, rather harsh words by the president himself about the prosecutor's office in his recent speech to the media. What do you think of all this?"

Ilyushenko says: "Regarding what the president said when he criticized the prosecutor's office, I entirely agree with him. He said — at least it was how I understood him — that the prosecutor's office was either not noticing or covering up activities of extremist fascist associations and publications. This was how I understood him. You see, everyone should "carry

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one's own portfolio." The prosecutor's office should mind its own business and the state press committee should mind its business." He adds: "Will you agree that sometimes absolutely unsubstantiated, and at times insulting, remarks are being made by the press and on television. It is not a secret that by doing this, people are scoring points with each other."

Svanidze asks about Ilyushenko's "relations with the Kremlin": "For a long time you have been acting prosecutor general since the State Duma [Ilyushenko corrects him and says it was the Federation Council] has not approved you in this job. The president was supporting you. Don't you feel now that the president is not going to support you any more?"

Ilyushenko replies: "I do not think so. What does it mean — the president supports or the president does not support? The president has never interfered in the affairs of the prosecutor's office. I must tell you that he is probably the only person in the country — I can say this with full responsibility after 18 months of work in this capacity — he is the only person in the country who during the period of my work here never, not a single time, interfered in any specific case."

To a question whether his wife was involved with the Balkar Trading company, Ilyushenko says: "My wife has not only never worked for the Balkar Trading company but also, until recently, she had only a very vague idea about this company. Things have reached a point when they are saying that my uncle heads this company. You know, I simply never had an uncle in my life." He adds: "I personally, as well as my wife, children, and relatives have absolutely nothing to do with this company."

At the end of the program Svanidze concludes: "To all appearances, Aleksey Ilyushenko has found himself without serious political support at present, at least, it is difficult to say where this support may come from."

Yeltsin Said Ready To Hold Caucasus Summit

LD0709125895 Moscow ITAR-TASS in English 1244 GMT 7 Sep 95

[By Lyudmila Yermakova]

[FBIS Transcribed Text] MOSCOW, September 7 (ITAR-TASS) — The readiness to hold a meeting of heads of state of the Transcaucasia and Russia with the participation of leaders of Russia's subjects in the northern Caucasus was confirmed on Thursday by Russian President Boris Yeltsin during a conversation with Speaker of the Russian Federation Council Vladimir Shumeyko. Chief of the press centre of the Federation Council Yuriy Algunov said this to ITAR-TASS.

The results of the working meeting of heads of parliament of Azerbaijan, Armenia, Georgia and Russia held on Wednesday in St. Petersburg at the headquarters of the Interparliamentary Assembly of the CIS were discussed during the conversation in the Kremlin.

Shumeyko who heads the Council of the Interparliamentary Assembly told Yeltsin that the negotiations of parliamentarians were "detailed and sincere", that the sides confirmed adherence to the previous commitments for the settlement of armed conflicts in the region and pledged "firm resolve to do their utmost to restore peace and stability in the Caucasus." Chiefs of bodies of the legislative authorities wholly supported the idea of a peaceful Caucasian summit. Arrangements reached in St. Petersburg serve as a good basis for its work.

The question of forming the Federation Council was also discussed during the meeting of the President and the Speaker of the upper house of parliament. The need to adhere to provisions of the constitution was stressed.

Yeltsin Aide Views Legal Reform Concept Edict

MM0809084895 Moscow ROSSIYSKIYE VESTI in Russian 7 Sep 95 p 1

[Interview with Ruslan Orekhov, chief of the Russian Federation President's Staff's state and law administration, by Dmitriy Orlov; place and date not given: "Bureaucrats Are Openly Violating Constitution" — first paragraph is ROSSIYSKIYE VESTI introduction]

[FBIS Translated Text] The Russian president has issued an edict and directive on the elaboration of the concept of legal reform in the country. We asked Ruslan Orekhov, chief of the Russian Federation president's Staff's state and law administration, to say what caused this decision on the part of the head of state and what long-term consequences it will have.

[Orlov] Ruslan Gennadyevich, what was the reason for the start of the elaboration of the new concept of legal reform since changes in Russian legislation have been in progress for several years now?

[Orekhov] You are right, legal reform has been under way in Russia for a long time but recently a number of very substantial problems have emerged.

The 1993 constitution stipulated that a number of laws and other normative acts would be published giving specific form to its provisions and establishing the mechanism for their implementation. Laws on the Constitutional Court and the legal system as a whole, the first part of the Civil Code, and the basic principles of legislation on local self-government were adopted but that is incredibly little. After all, those

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institutions enshrined in the existing constitution differ fundamentally from those which used to operate. The new structure of power, federalism, and the protection of the individual.... Initially it seemed that the task of creating them could be resolved relatively rapidly. But by the end of 1994 it had become clear that the Constitution's potential was not being implemented and, moreover, the authorities were failing to understand its foundations.

If we analyze the most recent Russian legislation we discover that as before it is of a short-term nature and is determined by sectoral, departmental, and even narrow group interests. And, most importantly, it is chaotic and unsystematic.

Meetings, conventions, conferences, and congresses will be convened to determine real programs and the paths along which legal reform will proceed.

[Orlov] Does that mean that we should expect large-scale legislative initiatives by the head of state with regard to legal reform?

[Orekhov] There will be initiatives. But the president has dwelled in detail on legal problems in the recent address to the Federal Assembly and twice, last year and this, he has published directives on the preparation of plans for law drafting work. And virtually nothing has ensued. There are questions but no answers. Why is that so? Until recently there was no open norm-creating process in the country and its establishment is taking place before our eyes. Soviet law was geared toward the direct operation not of laws but of instructions. Today bureaucrats are openly violating the Constitution, saying, for instance, that "there are no instructions on the application of the law on veterans." The state apparatus both centrally and locally is not ready for legal transformations. The technique and technology for norm-creating and for implementing laws and monitoring their execution are only being established. There is a lack of real local self-government. There is no developed sense of justice. There is nothing.

Legal reform can thus proceed only as the comprehensive transformation of legislation, the technology of norm-creation, the state apparatus, the sense of justice, and the system for the protection of citizens' rights.

Decree Defines, Categorizes State Secrets

MM0709140495 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 7 Sep 95 p 1

[Unattributed report: "Authorities Have Made Up Their Mind as to What Should Be Called State Secret"]

[FBIS Translated Text] The rules of classifying information that constitutes a state secret have been approved by decree of the Russian Government.

MOSKOVSKIY KOMSOMOLETS has learned that from now on there will be secrets of three degrees: information of particular importance, absolutely secret information, and simply secret information.

Information of particular importance is categorized as data whose disclosure would cause harm to the interests of the Russian Federation in one or several areas of military, foreign policy, economic, scientific-technical, intelligence, counterintelligence, and operational investigative activity.

Absolutely secret information includes data from the same areas whose disclosure would be harmful to the interests of one agency or one sector of the economy.

Secret information comprises all other data that constitute state secrets.

The lists of secret data to be compiled will be forwarded to the government authorities and also enterprises and organizations that may deal with state secrets, even if not fully, but insofar as they concern them.

The lists will be revised at least once every five years, and also to account for changes in the international situation or the emergence of new scientific and technical breakthroughs, and so forth.

Government Examines Draft Budgets of Social Funds

LD0709150995 Moscow ITAR-TASS in English 1359 GMT 7 Sep 95

[By Lilya Kuznetsova]

[FBIS Transcribed Text] MOSCOW, September 7 (ITAR-TASS) — The Russian Government examined at its meeting today the draft budgets of a number of social funds for 1996. Special attention was devoted to the expenditures on the upkeep of their managerial staff.

Summing up the results of the meeting, Deputy Prime Minister Yuriy Yarov, who is in charge of the social sphere, pointed out that officials should not live better than the population, whom they serve. This is why it was suggested to the management of the Pension Fund, the

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Social Security Fund, the Medical Insurance Fund and the Employment Fund of Russia that they should pay special attention to the reduction both of the managerial staff and the expenditures on their upkeep.

Aside from it, it was decided to reduce by one per cent the payments to the Social Security Fund.

It was suggested that the amount of payments to the Pension Fund, coming from agricultural enterprises, should be changed. It was decided to fix them not at 20.6 per cent of the amount of wages, but proceeding from the level of minimal wages, and to get the remaining payments, depending on the results of the performance of enterprises during a year. In the opinion of the Government, this will perceptibly improve the position of agricultural workers.

Statute Lays Down Duties of Ministry of Economics

MM0709093495 Moscow ROSSIYSKIYE VESTI in Russian 6 Sep 95 p 1

[Unattributed report under the "Powers" rubric: "Ministry of Economics Expectant"]

[FBIS Translated Text] At one time a great many lances were broken over the statute on the Ministry of Economics. The department's former leaders Oleg Lobov and Andrey Nechayev made attempts to turn it into the "ministry of ministries" and revive the Gosplan [State Planning Committee]. The Statute on the Ministry of Economics , which was not adopted for a long time, was also the object of conflict. The new statute bears the seal of the academic attitude characteristic of Yevgeniy Yasin, the current leader of the Ministry of Economics. According to the statute, the Ministry of Economics organizes and coordinates the elaboration of the state's socioeconomic policy and implements its basis, prepares proposals on the forecasting aspect of the annual messages from the Russian Federation president to the Federal Assembly, analyzes economic reform, and formulates proposals on the fundamentals of prices policy.

Continued Pre-Election Reportage, Commentary

Yeltsin on NDR's Election Prospects

LD0809091795 Moscow ITAR-TASS World Service in Russian 0839 GMT 8 Sep 95

[By ITAR-TASS correspondent Oleg Velichko]

[FBIS Translated Text] Moscow, 8 Sep (ITAR-TASS) — Referring to the latest opinion polls, Russian President Boris Yeltsin considers that the Russia Is Our Home movement will get between 8 and 12 percent of the votes at the forthcoming elections to the State Duma. Answering questions from journalists at a news conference in Moscow, he noted that, of course, it will not get not 30 to 40 percent and, naturally, not a majority.

Chubays Seen Actively Promoting NDR

MK0709140195 Moscow SEGODNYA in Russian 6 Sep 95 p 2

[Report by Dmitriy Volkov: "Anatoliy Chubays Has Sincerely Wished Victory for 'the Party of Power.' The First Deputy Premier Predicts Rapid Economic Upsurge in the Event 'Russia Is Our Home' Wins"]

[FBIS Translated Text] First Deputy Premier Anatoliy Chubays said yesterday that in the parliamentary election he would "sincerely wish victory" for "Russia Is Our Home" [NDR], on whose success "the future of the country depends in earnest and for a long time." This summer, the deputy premier "suspended his activity" in the "Russia's Choice" party, although as recently as December 1994 he was regarded as its main representative in the present cabinet. It probably would have been more natural for him to abandon it altogether, but Mr. Chubays said that he continued to "adhere" to Yegor Gaydar and, in all likelihood, the ideology advocated by the latter.

Thus, Mr. Chubays turns out to be, in a sense, more sincere than Aleksandr Zaveryukha and Aleksandr Nazarchuk, for instance, members of the Agrarian Party, who belong to "the party of power" and at the same time strive to deprive it of power in favor of the Agrarians. The relative political independence of Messrs. Zaveryukha and Nazarchuk — compared to Mr. Chubays' position — is due to the very firm positions of the agrarian directors. In the absence of a land reform, this lobby needs no assurances that property relations in the agro-industrial complex are "irreversible." On the contrary, in the course of a distribution of property in the economic sectors being privatized, new owners cannot yet feel quite secure. Therefore, they are highly interested in being guaranteed by Mr. Chubays, on behalf of the government, that "privatization is irreversible." After all, none of the significant opposition forces is calling for a serious agrarian reform, but nearly all of them promise voters "to look closely into privatization results."

In addition, the "irreversibility" of relations with respect to property developing in the course of privatization is periodically called into question by having proprietors physically removed. NDR's success in the election could probably put an end to any attempts to redistribute property using political showdowns or, possibly, min-

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imize even criminal showdowns by strengthening the group of managers and financiers in power.

Today, Mr. Chubays is in fact nearly the only public figure, who — though formally not belonging to the NDR — is propagating "the party of power's" achievements. In so doing, having no NDR membership card, Anatoliy Chubays is possibly a very valuable component of NDR's election campaign. Indeed, he is the finest embodiment of the concept of a "critical solidarity" of "the party of power" with the government that has been put forward by the premier, or rather the NDR leader. In any case, he personifies the first part of this formula: It is Mr. Chubays who should admit publicly that "society will have to pay dearly" for privatization. He also has to give out promises by predicting an unprecedented economic upsurge if NDR wins the election.

In so doing, the former head of the State Property Committee is probably guided by a purely pragmatic approach. Since in his eyes the main outcome of the past three years of the Russian history is the "irreversibility of privatization" (in which he seems to be right), it is quite natural that Mr. Chubays is campaigning for the principal guarantor of that "irreversibility," which — given all the internal controversies in Russia's leadership — is the NDR as a political organization formed by this leadership.

Naturally, Mr. Chubays's active canvassing efforts are not a mere sacrifice by this talented organizer at the altar of historical expediency. Today, the career of Mr. Chubays appears to be very closely linked to the "irreversibility of privatization."

NDR Seen Losing Founders, Duma Support

MM0709135295 Moscow OBSHCHAYA GAZETA in Russian
No. 36/112, 7-13 Sep 95 (Signed To Press 6 Sep) p 8

[Report by Lev Sigal: "The First Builders Have Been Left Without Apartments. 'Russia Is Our Home' Movement Has Approved the Lists of Its Candidates for the Next Duma in a Manner That May Cost It Support in the Current Duma"]

[FBIS Translated Text] The first dozen candidates on the list are put together in the best traditions of Soviet representation: From the artistic intelligentsia, Nikita Mikhalkov and Galina Volchek (Zykina turns out to have sung in vain); from science and education, Zhores Alferov, vice president of the Russian Academy of Sciences, and Vladimir Kinelev, chairman of the State Higher Education Committee; from the Armed Forces, General Rokhlin; from the ethnic minorities, Dr. Karimov from [illegible]an; from agriculture, the chief farmer Bashmachnikov, from the Cossacks, Ataman Martynov; from the young generation, deputy Ryzkov (he turned 29 on the day of the NDR [Russia Is Our Home] congress).

The regional part of the NDR list reflects a different trend. As an aide to Chernomyrdin privately said to your OBSHCHAYA GAZETA correspondent, the list ended up packed with candidates who are not so much popular in their region as they are loyal to the heads of administration.

As the list was being compiled the NDR lost Sergey Shakhray, which did not seem to have come as a big surprise for the bloc's leaders. The father of a two-party system had been pushed aside from the outset, but for some time he gritted his teeth and persevered. Finally, Sergey Mikhaylovich got what he asked for: Six months ago he himself suggested that Chernomyrdin prop up the Party for Russian Unity and Accord [PRES] by taking over the helm.

The whole question is what new prospects have opened up before Shakhray to prompt him to part company with his boss. By some accounts, matchmakers from the presidential administration are trying to marry Shakhray's PRES with Shcherbakov's Industrial Party. By others, the leading federalist is counting first of all on Eduard Rossel, newly-elected Sverdlovsk Oblast governor, and along with him on the idea of equating the status of Russian krays and oblasts with that of ethnic republics. Besides, Sergey Mikhaylovich is planning to run as an independent in a single-seat district in Novosibirsk Oblast.

Shakhray, like many other wavering "home residents," undoubtedly, thinks it quite likely that after the elections Boris Yeltsin would grow cool toward the NDR, as happened to "Russia's Choice" some time ago, although Chernomyrdin's entourage takes issue with the view: "Who else can Boris Nikolayevich rely upon if not on Viktor Stepanovich?"

Shakhray took 16 PRES deputies with him from the "Home" (three chose to stay). Yet another of the NDR's initial builders — the "Stability" deputy group — is also extremely agitated. Out of 43 "stabilizers" only four are on the list. "Stability" Chairman Aleksey Leushkin was crossed off the list of candidates running in Moscow Oblast by Vladimir Babichev, government chief of staff, who technically has nothing to do with the NDR whatsoever.

The deputy's friends and colleagues think that the White House has noticed Leushkin's visits to Staraya Square [presidential administration] and become jealous; the last straw was the incident where the deputy absentmindedly broke the rules of subordination: He asked

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Mr. Babichev's aide to tell his patron to call him back when he was no longer busy.

Owing to these petty misunderstandings "Our Home" has lost its key founders, while the government is running the risk of losing its official support base in the current Duma. "Our relations with the government are bound to become more complicated," Leushkin told your OBSHCHAYA GAZETA correspondent, making it clear that "Stability" will do its utmost in the remaining months to avenge itself on the perfidious Cabinet of Ministers: It will try to "scuttle" the budget, threaten the government with a no-confidence vote, and so forth.

In their heart of hearts, however, the "stabilizers" are hoping that the government will back their Duma bids as independent candidates in single-seat districts. But Mr. Chernomyrdin has not yet given them such guarantees.

Rybkin Bloc Names Candidates

LD0709150495 Moscow ITAR-TASS in English 1344 GMT 7 Sep 95

[By Ivan Novikov]

[FBIS Transcribed Text] MOSCOW, September 7 (ITAR-TASS) — The left centrist bloc led by State Duma Chairman Ivan Rybkin today nominated its candidates for the State Duma which to be re-elected on December 17.

Rybkin named the nominees at a news conference which has been held in the State Duma today.

According to Rybkin, the first trio on the central general federal list is headed by himself, Colonel-General Boris Gromov and Academician Stanislav Shatalin.

The central 12-member list includes Yuriy Petrov, who is the bloc's deputy chairman and leader of the political group Union of Realists.

Other nominees are Artur Chilingarov, an Arctic researcher, Aleksandr Sergeyev, a workman and chairman of the independent miners trade union, Iosif Kobzon, a popular Russian singer, and Oleg Poptsov, director of the Russian television and radio company.

Rybkin told the conference that his bloc comprises 57 political parties and public groups.

The bloc's federal list presents a total of 270 candidates for the State Duma.

Some 165 candidates of the bloc are to run in one-ticket constituencies.

Nikonov Leaves Rybkin Bloc

LD0709173695 Moscow INTERFAX in English 1536 GMT 7 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 7 (INTERFAX) — State Duma deputy Vyacheslav Nikonov, one of the co-founders of Duma Chairman Ivan Rybkin's election bloc, said he withdrew from the bloc after its election list was made public Thursday.

Nikonov told INTERFAX that he had been given only the fifth position in the final Moscow region list which virtually deprived him of the possibility to be elected again. The list was subject to a secret ballot.

Prior to the ballot, Nikonov was the first in the list, but late at night the document was edited to give Reforma Fund officials the first four positions. Reforma Chairman Stanislav Shatalin is now the third in the list.

Nikonov did not exclude the possibility that several other State Duma deputies will leave the bloc, because many of them had not been given what they counted on.

CPRF All-Russia Conference Reported

MM0709162195 Moscow PRAVDA ROSSII in Russian 7 Sep 95 p 1

[Unattributed report: "Information Report on Work of Third Communist Party of the Russian Federation All-Russia Conference"]

[FBIS Translated Text] The Third Communist Party of the Russian Federation [CPRF] All-Russia Conference was held in Moscow 26 August. The delegates discussed the following questions:

1. On the party's electoral platform and the routine tasks facing CPRF organizations in preparing for and holding the elections to the Russian Federation Federal Assembly State Duma.

2. On the nomination of the federal list of Russian Federation Federal Assembly State Duma candidate deputies for the federal electoral district.

3. On the nomination of Russian Federation Federal Assembly State Duma candidate deputies for single-seat electoral districts.

4. On the appointment of plenipotentiary representatives of the CPRF electoral association.

5. On the appointment of a non-voting member of the Central Electoral Commission of the Russian Federation.

6. On the party's plenipotentiary representatives on electoral commissions.

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7. On agents [doverennyye litsa].

A report on the first item was delivered by G. Zyuganov.

The following spoke in the conference debates — A. Dzotsiyev (Vladikavkaz); V. Novoselov (Yekaterinburg); Yu. Azizov (Orsk); T. Gudima (Arkhangelsk); A. Tuleyev (Kemerovo); V. Korolev (Omsk); P. Romanov (Krasnoyarsk); S. Goryacheva (Vladivostok).

The conference ratified the CPRF's electoral platform, the federal list of candidates, and the list of candidate Russian Federation Federal Assembly State Duma deputies for single-seat electoral districts put forward by the CPRF electoral association. Conference materials are published in today's issue of PRAVDA ROSSII.

'Christians' Bloc Begins Campaign

LD0709145795 Moscow ITAR-TASS in English 1332 GMT 7 Sep 95

[By Lilya Kuznetsova]

[FBIS Transcribed Text] MOSCOW, September 7 (ITAR-TASS) — The "Christians of Russia" electoral bloc has started its electoral campaign. This was announced at a press conference today by Vitaliy Savitskiy, deputy to the State Duma and leader of the Christian-Democratic Union — Christians of Russia party.

According to Savitskiy, a list of candidates from Christian Democrats, which includes 91 candidates for the federal list and 30 people for one-seat constituencies, will be made up of members of the party by 100 per cent. Savitskiy pointed out that the party was going to take part in the elections on its own.

So far as the electoral programme is concerned, the leader of Christians of Russia said that the moral and cultural revival of Russia was going to be the main objectives of the Christian Democratic members of parliament. They will take as a basis the economic model, described as the "socially oriented market-based economy."

Stanislav Govorukhin Bloc Formed

LD0709121695 Moscow INTERFAX in English 0946 GMT 7 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 7 (INTERFAX) — Another electoral bloc, the Bloc of Stanislav Govorukhin, has been created in Moscow, the press center of the Russian Popular Alliance public-democratic movement told INTERFAX today.

Leader of the Democratic Party's faction in the State Duma Stanislav Govorukhin will head the new bloc.

The new electoral bloc was founded by the Popular Alliance, the All Russian Union of Trade Unions and the Russian Christian Democratic Movement.

Stanislav Govorukhin, former Russian parliament deputy Oleg Rumyantsev and former deputy, Chairman of the Russian Christian Democratic Movement Viktor Aksyuchits will top the new bloc's federal list of candidates to the State Duma.

Aushev Not on Muslim Election List

LD0609200495 Moscow INTERFAX in English 1803 GMT 6 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 6 (INTERFAX) — President of Ingushetia Ruslan Aushev was not included on the federal list of candidates to the State Duma from the Union of Russian Moslems "because he did not give his consent," Secretary General of the Union of Russian Moslems, Sheikh Mukaddas Bibarsov told INTERFAX in an interview today.

Bibarsov said representatives of the Union of Russian Moslems had met with Aushev during the Union's congress in Moscow on September 3-5 and proposed that he should run to the State Duma on the Union's list.

Bibarsov said that, however, the Ingush president and "several other well-known Russian statesmen with Moslem names" had turned the proposal down. Bibarsov declined to name the "other well-known Russian statesmen."

According to some sources, not all of the congress's delegates backed the candidacy of Aushev "because of his Afghan past."

'Independent Candidates' Set Aims

MM0709131895 Moscow PRAVDA in Russian 6 Sep 95 p 3

[Report by Sergey Dorofeyev: "'Independents' Unite"]

[FBIS Translated Text] Voters do not have faith in political parties, which is why they do not turn out for the elections. That is the thesis that certain deputies in the present State Duma and prospective deputies in the next Duma have set out to prove by proudly calling themselves "independents." That is why they have announced the formation of the "Independent Candidates" electoral bloc, which has proclaimed its main task to be to raise the voters' concrete problems to a state level.

In the opinion of State Duma Deputy Yevgeniy Fedorov, one of the bloc's founders, political parties appeal to citizens only in the run-up to elections and then embark

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on interparty games which are out of touch with the people's needs. However, candidates not bound by party discipline who achieve prominence solely thanks to the voters' support will not objectively be able to deal with anything apart from the problems of those who voted for them. Developing this thesis, the initiators of this undertaking assert that in this way it is possible to make the principles of the formation of the legislature fairer, that is, by doing so at "grassroots" level on the basis of real life, because then the State Duma's ideological orientation will represent an amalgam of the views prevailing in it.

The movement's program is an impressive folio containing a variety of problems culled from across the country and of Russian citizens' demands and needs. You might think that this is just another publication whose authors are pulling in different directions. However, the authors are confident that the principles adopted by them will enable them to engage in legislative activity successfully. The first of those principles is — "The voter is always right." We can only hope that the "independents" will not forget their election promises when they have been elected to the Duma.

National-Patriotic Blocs Viewed

MM0709131095 Moscow ROSSIYSKIYE VESTI in Russian 7 Sep 95 p 2

[Third installment of article by Pavel Anokhin, Igor Vasilyev, and Tatyana Sukhomlinova: "Whoever Gives the Money for Congresses Orders the Party Platforms"]

[FBIS Translated Text] In the forthcoming struggle for deputies' seats the Working People's Self-Government Party has given its first three places to the famous ophthalmologist and businessman Svyatoslav Fedorov, Aleksey Kazannik, the former Russian general prosecutor and leader of the People's Conscience Party, and Aleksandr Porokhovshchikov, the nobleman-actor.

As is appropriate for politicians who have gambled on the working people and the people's conscience, Academician S. Fedorov emphasized in his policy speech that the economic crisis in Russia can be overcome through a drastic increase in the motivation to work. He is convinced that achieving this will be helped by a tax policy that provides incentives, the creation of a system for the fair distribution of incomes to the workers themselves, and the conversion of state property into private-collective or private property. The leaders of the Working People's Self-Government Party are sure that to create an effective market system in Russia it is essential to have 5-6 million enterprises with private or collective owners who for their successful establishment should be exempt from taxes for 10 years.

Another Fedorov — this time a servicemen from Leningrad Oblast whose first name is Yevgeniy — who is a little-known State Duma deputy stated at a press conference that the "Independent Candidates" bloc of which he is the leader is contending for the parliamentary majority. Yevgeniy Fedorov noted that the movement is designed to unite all those who will go to the elections for single-seat districts as candidates who are independent and free from party commitments and party discipline. In his opinion there will be 1,500-2,000 of these in all 225 single-seat districts. Yevgeniy Fedorov obviously intends to discipline the "independents" and to direct their efforts in a party-like way toward "the specific problems which the voter sets the organs of state power," forcing them to work in the chamber exclusively for the benefit of their district, in which they can be helped by uniting in the State Duma into a strong, large faction."

There is also concern for the interests of the ordinary person in the "Power to the People!" election bloc which is headed by Nikolay Ryzhkov, former USSR prime minister and now a very successful pensioner. His election bloc has issued a general federal list and regional lists of candidate State Duma deputies. The 12 people on the central list include Sergey Baburin, Stanislav Terekhov, Anatoliy Karpov, Ambassador Yuriy Kvitsinskiy, and the writer Valeriy Belov, the actor Igor Gorbachev, the cosmonaut Viktor Gorbatko, former CPSU Central Committee Secretary Oleg Baklanov, Yuriy Andropov's son Igor Andropov, and the eternal exposer of the mafia, Tatyana Karyagina.

Nikolay Ryzhkov has informed journalists that he does not maintain any contacts with Mikhail Gorbachev in connection with the election campaign. "I parted with him long ago and forever," he noted.

"Power to the People!" and the Communist Party of the Russian Federation [CPRF] immediately announced their partnership links. Gennadiy Zyuganov, leader of the CPRF, with his innate directness, stated: "We are absolutely sure that we will considerably strengthen our positions and with our allies — the Agrarian Party and the 'Power to the People!' bloc and others — we shall be able to form a parliamentary majority."

The federal list of the CPRF in addition to the "troyka" heading it (Gennadiy Zyuganov, Svetlana Goryacheva, and Aman Tuleyev) has been joined by experienced Bolsheviks like Valentin Chikin, the chief editor of SOVETSKAYA ROSSIYA, Academician Aleksey Podberezkin, leader of the "Spiritual Heritage" organization, Yuriy Maslyukov, and former chairman of the USSR State Planning Committee. In the districts the communist candidates are divided into 20 groups each of which

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is headed, according to Gennadiy Zyuganov, by the most authoritative people. The leaders of the regional groups of CPRF candidate deputies include Anatoliy Lukyanov, Viktor Ilyukhin, Gennadiy Seleznev, Viktor Zorkaltsev, Federation Council Member Petr Romanov, and General Valentin Varennikov. The Moscow group is headed by the director and actor Nikolay Gubenko and the Moscow area group by Pilot-Cosmonaut Svetlana Savitskaya. All familiar faces, it is true.

Nor were the radical Communists sparkling in terms of novelty, personalities, or ideas. Failing to agree with the CPRF on cooperation at the elections, they have created their own election bloc, "Communists and Working Russia for the Soviet Union." It was founded last Sunday by the Russian Communist Workers Party and the Russian Party of Communists. The bloc has also been joined by the Russian Communist Party-CPSU, the United Front of Working People, and the Congress of Soviet Women. The bloc's federal list is headed by Viktor Tyulkin (Russian Communist Workers Party), Anatoliy Kryuchkov and Viktor Anpilov. The bloc is going to the elections with the program "for our Soviet motherland!" Viktor Anpilov, as always, is intransigent and abrupt: "There can be no social peace with those who have grown rich at the working people's expense, no civilized talk with them is possible!"

"For the Motherland!" (without the word "Soviet," it is true) is also the name of another election bloc founded last Sunday. The upper part of its general federal list has been headed by Vladimir Polevanov, former chairman of the Russian Federation State Committee for the Administration of State Property and chairman of the "New Russia" movement, Yevgeniy Podkolzin, commander of Russia's airborne forces, and Dmitriy Starodubtsev, an agricultural expert from Yaroslavl Oblast (the brother of Vasiliy Starodubtsev, a member of the State Committee for the State of Emergency). The new election bloc has been joined by over 10 public organizations and associations of the Russian Federation, whose representatives have also been included on the general federal list. This includes above all Anatoliy Gil, chairman of the People's Patriotic Party, Frants Klintsevich, chairman of the board of the Russian Union of Afghanistan Veterans, and Vasiliy Mokhov, a representative of the Association of Socialist Trade Unions. The movement's backbone consists of Afghan veterans and according to the bloc's leaders it numbers over 400,000 registered members.

The new bloc advocates the repeal of the economic course, the intensification of the state's regulating role in the economy, and social justice. V. Polevanov has admitted that the bloc will have to wage the struggle for voters "on the same field as the congress of Russian Communities" headed by Yuriy Skokov. But in his opinion there will be no confrontation between these two political forces. "I hope we will be able to reach agreement," V. Polevanov said.

Commenting on the results of the congress, he announced that he "has no illusions regarding the number of seats in the Duma but there is no doubt the bloc will manage to surmount the 5 percent barrier." But should a bloc with such an unequivocal name doubt anything? If we proceed from V. Klyuchevskiy's phrase about how the liberals are gambling on stupidity and the conservatives are gambling on cowardice then Polevanov's supporters are neither liberals nor conservatives. And it is probably not for nothing that the thought creeps in that in moving from words to deeds they may very well write on tanks and aircraft the famous Great Patriotic War slogan "for the motherland" and call on their thousands of "Afghans" to struggle resolutely for a bright future.

The Russian National Assembly has also recently defined its election stance and its possible Duma leaders. Alongside the Russian National Assembly's Duma chairman, KGB General Aleksandr Sterligov, places on the list of candidate deputies have been taken by Vladislav Achalov (the All-Russia Officers' Assembly) and Aleksandr Tizyakov (Association of Russian Industrialists and Entrepreneurs), who joined the State Committee for the State of Emergency in 1991.

The Russian National Assembly members see possible allies at the forthcoming elections in Aleksandr Rutskoy's "Derzhava," Nikolay Ryzhkov's "Power to the People!", and other "healthy forces capable of bringing to power a Russian government — the only government which can save and resurrect Russia." And to ensure that no undercover Jews or human rights campaigners, for instance, worm their way into the "healthy" forces, Aleksandr Sterligov agrees that when forming the lists "the organs of the Internal Affairs Ministry and representatives of other special services" will help the bloc of national-patriotic forces to determine the "true identity" of the candidates for federal representative power. And he sees "nothing shameful" in this because "the responsibility of those whom the people invest with their trust is too great" and because "not only professionals but crystal-pure people should come to power in Russia."

All this would be nothing but where will "the Internal Affairs Ministry and other special services" now recruit crystal-pure professionals for all power positions if the Internal Affairs Ministry and the special services, to judge by their crime record, are themselves not in brilliant "health." And what criterion will be used to

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determine the "health" which Aleksandr Sterligov and his comrades need?

Although some aspects of the same filtration process can be seen from the words of Major General Vitaliy Shenin, retired, president of the Agrarian Union of Reserve Officers and Military Agricultural Producers, who stated that the Russian officers' corps "has undertaken and is mounting a broad offensive on parliament, albeit not in a single front." In his opinion the decision of the all-Russian Officers Assembly to join Aleksandr Sterligov's bloc of national-patriotic forces and the decision of the Officers Union to join Nikolay Ryzhkov's "Power to the People!" bloc are by no means either "a tactic of offensive from the flanks" or a split among Russian officers. "Military will never oppose military," the retired major general (and now active agrarian expert) is convinced, so in the election campaign they are acting "from common positions" although General Valentin Varennikov has joined the CPRF list and General Aleksandr Lebed the list of the Congress of Russian Communities. After such revelations you cannot help asking: "In that case whom will the military oppose when they wage their broad offensive, albeit not in a united front?"

"Afghans," soldier's mothers, Cossacks, and other healthy forces went on Sunday to the second congress of the all-Russian electoral association the "Russian national movement" in Omsk. The founders of the Russian National Movement are, in particular, the union of officers "for the resurrection of the fatherland," the committee of soldiers' mothers, subdivisions of the Union of Afghan Servicemen and the Union of Cossack Troops. You will agree that one forms the impression that there is an immoderate quantity of soldiers' mothers and "Afghans" in Russia.

The Russian National Movement program adopted by the congress is based on a recognition of Russia's geopolitical importance and its special path in the world today. The union categorically rejects the idea of Russia as a secular state. In the opinion of the program's compilers the church and state must be "spiritually indivisible." One wonders what the leaders of the "Union of Muslims of Russia" think about that? And what will they call for in conjunction with the "Russian National Movement" if a similar congress is held by, for instance, the Russian Jews voicing similar ideas, but in their own way?

Military Issues

Yeltsin Promises Further Army Reductions

LD0809104795 Moscow ITAR-TASS in English 1028 GMT 8 Sep 95

[FBIS Transcribed Text] MOSCOW September 8 (ITAR-TASS) — President Boris Yeltsin said Friday Russia is continuing to cut the strength of its armed forces which are being reduced by another 200,000 men.

"There was 1.7 million. Now we are switching to 1.5 million. We reduce the strength of the army by another 200,000 men", Yeltsin said, but complained that defence expenses remain high.

Yeltsin statement contrasted to the recent call by Defence minister Pavel Grachev who said the Russian armed forces needed 2.1 million men to ensure reliable defence of the country.

The president objected to calls to radically increase the strength of the armed forces.

"There is a politician who says that the army will number five million men" if he comes to power, Yeltsin said.

"This is a completely not serious statement. Russia will lose in the international plan because everything we have done to ensure a peaceful dialogue to reduce armaments and nuclear weapons was aimed at partnership", the president said.

"We conduct the policy of partnership and not of targeting missiles at each other. This is the main thing", Yeltsin stressed.

Grachev Addresses Chukotka Formation Personnel

MM0709133395 Moscow KRASNAYA ZVEZDA in Russian 7 Sep 95 p 1

[Report by Aleksandr Pelts: "Russian Federation Defense Minister in Chukotka"]

[FBIS Translated Text] Anadyr — On 6 September Army General Pavel Grachev arrived in Anadyr within the framework of his working tour of the Far East District and visited the formation commanded by Colonel Sergey Zemlyanskiy.

This formation is well known in Chukotka. There are fewer than three dozen houses among the high hills surrounding the military township. The formation headquarters and other troop management organs are situated here. And the formation's units and separate battalions are situated over 500-600 km.

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It should be particularly noted that not only over the entire history of the existence of this uniquely situated formation but also in the entire history of the Soviet Union not a single defense minister has visited here. And, as Army General Pavel Grachev stressed in his speech to the personnel, he has come here to study on the spot the troops' state of combat readiness, to ascertain the situation with regard to its grouping in this region, and to make a final decision on the troops' structure and location. In his speech the defense minister noted that special attention has always been paid to the grouping of troops in the Far East region, including to formations like this one. In that respect nothing will change in the future. There is no need to tell the people serving here that they are living and working in fact under extreme conditions. So to maintain the necessary level of combat readiness for these military units the necessary steps are being taken despite the grave economic conditions. As a whole Army General Pavel Grachev assessed highly the state of affairs in the formation and officers Zorin, Markovich, Kropovnitskiy, Mamartsev, Volkov, and others deserved special words of thanks.

"I came here," Pavel Grachev noted, "not only to describe the changes taking place in the Russian Armed Forces and to study your situation on the spot. The main thing for me is to hear you, to familiarize myself with the situation, and to help in resolving the problems which you undoubtedly have."

That was what the defense minister did directly during his meeting with the personnel. Thus at the request of the formation commander two more An-12 aircraft and four Mi-8 helicopters were allocated for the transportation of servicemen and members of their families to their vacation areas and bring them back to their place of service. By a decision of the defense minister the formation's best officers were promoted ahead of schedule. Konstantin Soldatov received the rank of captain and Igor Volkov received the rank of senior lieutenant. In addition the defense minister presented color television sets and tape recorders to the local school and garrison kindergarten.

After work in the formation's units the Russian defense minister met with Chukotka Governor Aleksandr Nazarov. He stressed that the governor is doing a lot to make ease the service and lives of the servicemen and of those who have remained in this region after completing their service.

The Russian defense minister's working tour of the Far East region is continuing.

Yeltsin Aide Favors Cossack Military Service

LD0709151195 Moscow INTERFAX in English 1232 GMT 7 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 7 (INTERFAX) — The Russian president's aide Nikolay Yegorov said he believed that the Cossacks admission to military service might improve the situation regarding border defense and the army on the whole.

Yegorov said at the All Russian Conference of Cossack Unions, which opened today, that the complicated situation on the Russian borders came as a result of poor border defense. He said in particular this allowed "Chinese and Korean residents" "to penetrate into our territory almost freely," settle down on Russian territory "in fact carrying out a hidden expansion." Yegorov said joint ventures were created "through figure-head forces," real estate was bought. He said many foreigners were involved in smuggling and stealing Russian natural resources.

Yegorov praised the initiative of the Primorye region's administration which was creating cordons on the basis of Cossack populated areas in order to protect the region from illegal penetration of foreigners.

Yegorov said he was in favor of the Cossacks serving in the army. He said the Cossacks could improve the situation with army draft, raise the level of military and physical training of new conscripts "which is now very low."

Yegorov called the Russian army "a wounded army." He explained himself by saying that only 20% of tanks were functioning. He said the army's supply with fighter jets had recently fallen by 20 times.

Yegorov said he believed that the serious situation regarding inter-ethnic relations "to some extent stimulates the rebirth of the Cossack community." He criticized the attitude of the leadership of some CIS countries towards the Cossack communities on their territory. Yegorov said that sometimes such an attitude was too far from the internationally-recognized human rights standards. Yegorov said a draft agreement on the rights of the Cossacks had been drawn up. He said this draft might become a basic document for holding talks on the Cossack problem with foreign countries.

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Federal Assembly

Kozyrev Comments on Duma Session on Balkans

LD0709191595 Moscow Russian Public Television First Channel Network in Russian 1700 GMT 7 Sep 95

[From the 'Vremya' newscast]

[FBIS Translated Excerpt] The following is a statement by Foreign Minister Andrey Kozyrev prior to his departure to Bulgaria on the Duma's decision to discuss Russia's foreign policy in the Balkans at an extraordinary session on 8 September:

[Begin Kozyrev recording] An unprofessional and sweeping discussion of the foreign policy, in the Balkans in particular.... [pauses] if the discussion takes the form of supporting the initiatives — not America's — as V. Lukin, the chairman of the Duma's international affairs committee, says, but President Yeltsin's initiatives on a settlement in the Balkans, one can only welcome it. If the discussion is used for showing opposition to the president and the government once again and for attacks on the Foreign Ministry and me personally, I believe it will be a pathetic and unworthy spectacle. [end recording] [passage omitted]

Duma Official Hails Local Government Law

MM0809093995 Moscow ROSSIYSKAYA GAZETA in Russian 1 Sep 95 p 2

[Article by Anatoliy Sliva, chairman of the State Duma Committee on Local Self-Government Questions and member of the presidium of the Federal Council of the Party of Russian Unity and Accord, under the "Law" rubric: "Moscow Has Shared Power With the Regions. And Has Become Strong. The Federal Law on the General Principles of Organization of Local Self-Government in the Russian Federation Is an Important Event in the Country's Political Life"]

[FBIS Translated Text] The law on the general principles of local self-government suffered severe birth pangs. The State Duma adopted it three times. Twice it was rejected by the Federation Council. But the president has signed the document. And that is the main thing. The law gains special significance in connection with the upcoming elections. I simply cannot imagine how we could have approached them without having resolved the question of the legislative basis of local power and having freed it from slavish dependence on the Center.

Local self-government will come into being gradually, along with the development of the economy. Why? Because it means resolving local questions on your own responsibility, for your own hard-earned money, if you like, for the taxes that are paid for the development of cities and villages. There is no escaping that. Russia has had experience of it. And nowhere in the whole world has come up with any alternative.

Let me give you an illustration. Problems of local finances exist in all countries. They are associated with the local budget, local taxes, local loans, and the entire machinery of municipal financial life. An enormously complex machinery. But the people responsible are professionals.

Thus, the International Bank for Reconstruction and Development, which Russia has such a difficult relationship with, has a large department for local self-government questions. This is a department which helps municipalities and their elected organs to master and study experience and to finance programs. But they do not teach them or help them to construct a particular facility in the municipality, they teach them how to earn and find the money to do so. Unfortunately, you will not find anything similar either at the Central Bank of Russia or at the Finance Ministry.

Take another facet of Russia's international links. We long ago applied to join the Council of Europe. The Chechen events began, and the admission procedure was suspended. But as soon as the process of a peace settlement of the conflict was under way, certain people in Moscow promptly stated: Chechnya was the only reason why Russia's admission to the Council of Europe was, putting it bluntly, stopped in its tracks. But it was not the only reason. From the outset the Council of Europe set this as one of the conditions: Begin a reform of local self-government, adopt a law on local self-government. I wonder what my colleagues in the Federation Council were thinking about when they rejected the law adopted by the Duma: Russia's interests, their own region's interests, or, may I suggest, their own self-interest?

Yes, there are rich cities, like Tolyatti, for instance. But there are also poor ones, such as Chapayevsk. And it is no use worrying because one city will live well while another one nearby does less well. But that is a fairly widespread argument among the opponents of local self-government. Any national local self-government system, including Russia's system proposed in the law adopted by the Duma, makes provision, first and foremost, for guarantees for only minimum budget provision for the territory in question. And these minimum guarantees are given both by the federal authorities and by the authorities of the oblast, say, Samara Oblast. Minimum guarantees! Over and above the minimum, whatever you earn is your own. There are territories that are weak in economic terms. That is true, incidentally, in most

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countries of the world. Hence the existence of the institution of economic leveling of local self-government territories. And the law also makes provision for such a mechanism.

Furthermore, there exist methods of resolving these questions in a civilized manner. And not by sending petitioners [to the central authorities]! So let us tackle these problems not by means of this barbarous — if I may say so — method that we inherited even from prerevolutinary Russia and maybe in particular from Soviet Russia, but in a civilized manner: once a year, during the elaboration and approval of the federal budget, where these disputes about percentages can be resolved in a civilized manner through contracts, agreements, and precise economic calculations.

The past years (I am talking about the time since 1992, when we plunged headlong into the market) have not disappeared without trace. Three years is a long time. A great many city mayors have acquired invaluable experience in market affairs. These people deserve respect. But when the president or prime minister of Russia travels to some city or other, do we see the mayor in the foreground, on the TV, next to the state leader? We do not. But that should be the norm. It is not only a question of respect for the mayor, but for all the city's inhabitants, for the thousands of people who elected the mayor.

The State Duma Committee on Local Self-Government Questions has for many months been asking the Russian head of government to receive some city mayors, about 15-20 people. The mayors are not going to ask him for anything. They will simply propose possible solutions to city problems in a Russia-wide scale. And I cannot understand why the prime minister — I emphasize this — has still not found the time to sit at a table with representatives of local authorities.

The All-Russia Conference on Local Self-Government was held in February. A decision was adopted to create a council on local self-government questions under the president. What was proposed? To bring together in this council representatives of three strata of power, three forces: the federal authorities, the Federation components, and actual municipal officials. The edict was signed six months later, and all that time the draft was undergoing coordination in various offices — nearly half a year! Meanwhile there was no progress. Why do they do this? Is someone playing games? But this is a depoliticized council. It should not and will not take the side of any electoral association.

A great many people today are increasingly getting to grips with local self-government problems, believe in the possibility of solving them, and are working to that end. But the results depend largely on pooling efforts. I believe that one way to do so would be what we shall call, for the sake of argument, a congress of local and regional authorities of Russia. Why bring together these authorities? Friction arises among them. This cannot be allowed. But it suits some people. But when we come together in a common union of representatives of authorities of oblasts, republics, and all the Federation components and representatives of municipal formations, they will reach agreement.

The upcoming elections to the new State Duma could be considered more important than those of 1993. Because here we really do have an opportunity that must not be lost. I have a very high opinion of the present Duma and the representatives of all factions, without exception.

I hope the new Duma will be just as good. Here I have in mind the quality of legislative work. I have spent nearly two years as chairman of a committee and, with around 10 factions represented on the committee, for the first month we were acutely aware of this. But we on the committee soon forgot what factions we were from because we started to tackle the real work, work that is necessary to all citizens of Russia. We started to get down to real legislation. And if a particular faction says it is against democratic local power, there is no place for it in the Duma.

Oblast and republic legislative assemblies in Russia must be given a free hand. And in order to give them a free hand we must adopt fundamental laws on the organization of power. But what have we got? The law on the delimitation of powers and areas of jurisdiction between the Federation and the Federation components never actually emerged from the Duma. Several different versions clashed, and everything ground to a halt. The law on general principles of the organization of state power in the Federation components, where the status of legislative and executive power is supposed to be defined clearly in legislative form, is with the Constitutional Court. It has not yet been signed by the president.

With the adoption of the law on the general principles of local self-government, the oblast legislative organs must adopt more than 20 legislative acts promptly, without delay. That will naturally boost people's activeness and make everything as it should be. We cannot do without it. Two examples from this long-suffering law. Who is supposed to keep our settlements clean and in order? The local authorities. They should have the economic and administrative levers to do so.

And another thing. Who is supposed to take care of fire safety in our settlements? Whose organization is responsible? Only the federal or oblast system. Did you

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ever see a municipal fire service? No. Taking Syzrani as an illustration, I would venture to assert: The city is prepared to maintain this service at its own expense, out of its taxes, its revenues. That will give it a free hand. But no: The Russian MVD [Ministry of Internal Affairs] system has control of everything.

The long-suffering law about which we have heard so much has been adopted and signed by the president and is coming into force.

We now have every opportunity to ensure that on its basis the interests of local self-government, cities, rayons, and villages are taken into account in the budgets (federal and regional) for 1996, and that the taxpayers receive what they have earned.

For the first time in the history of Russian statehood we are entering elections with real legislative guarantees of local power, local self-government. And it is our duty to make these guarantees a reality.

Legislative, Regulatory Documents 27 Aug-2 Sep

95P50168

[FBIS Media Note] The following is a listing of Russian legislation recently published in the press of the Russian Federation compiled by FBIS. Numbers within parentheses indicate approximate wordage. Entries followed by the notation "Text" have been translated into English and are available in FBIS publications.

SECTION I: ECONOMIC LEGISLATION (EXPORT-IMPORT, BANKING, PRIVATIZATION, AUCTIONS, REGIONAL DEVELOPMENT)

Government 7 August Directive No. 1100-r Allocating Budget Loans At Preferential Rates to 'Omskagrostroymekhanizatsiya,' 'Roads Of Russia' Companies. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Aug 95 p 6) (100)

Government 9 August Directive No. 116-r Approving List Of Airlines Due For Privatization. (Moscow ROSSIYSKAYA GAZETA in Russian p 5) (600)

Government 11 August Decree Amending June Decree On Federal Project Financing Center. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Aug 95 p 6) (200) (Text)

Government 11 August Decree No. 808 On Implementing Agreement With IBRD On Loan To Finance Environmental Measures. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Aug 95 p 6) (700)

Government 11 August Decree No. 809 Ratifying Agreement With IBRD On Loan To Finance Environmental Measures. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Aug 95 p 6) (200)

Government 18 August Decree No. 817 On Measures To Ensure Order When Effecting Payment For Supply Of Goods (Performance Of cork Or Rendering Of Services.) (Moscow ROSSIYSKAYA GAZETA in Russian 29 Aug 95 p 5) (800)

Government 18 August Directive No. 1149-r On Submitting Draft Law On 1996 State Budget To Duma, Appointing Finance Minister Panskov To Shepherd It Through Parliament. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Aug 95 p 6) (50) (Text)

Government 24 August Decrees No. 823 And 824 Raising Wages And Salaries Of Workers In Budget-Funded Sectors. (Moscow ROSSIYSKAYA GAZETA in Russian 29 Aug 95 p 4) (900)

Federal Law No. 153, Signed By Yeltsin 25 August, On Federal Railroad Transportation. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Aug 95 pp 4-6) (12000) (Text)

SECTION II: POLITICAL (INTERNATIONAL AND CIS AFFAIRS, ELECTIONS, CRIME, POLLUTION)

Government 18 March Decree No. 265 Okaying Signing Of Agreement With Ukrainian Government On Forming 'Transnational Aluminum Company' Financial And Industrial Group, Plus Boris Filippov Commentary On Background, Significance. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Sep 95 p 11) (300/550)

Government 24 July Decree No. 739 On Mandatory Filing Of Copies Of Publications. (Moscow ROSSIYSKAYA GAZETA in Russian 29 Aug 95 p 5) (1000) Plus Aleksandrov Commentary (350)

Government 29 July Decree No. 764 On Federal Targeted Program For Improving Conditions In, Performance Of Prison-Based Industries, Plus Text Of Program, Program "Passport". (Moscow ROSSIYSKAYA GAZETA in Russian 29 Aug 95 p 6) (5000)

Government 31 July Directive No. 1075 Setting Ministries, State Corporations, Central Bank Various Tasks In Pursuance Of Agreements Reached During Albanian Premier Meksi's April Visit. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Aug 95 p 6) (600) (Text)

Federal Law No. 1459 Of 19 August On Social Protection For Citizens Affected By Semipalatinsk Nuclear Tests. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Sep 95 p 6) (800)

Yeltsin-Signed 22 August Federal Law 151-fz 'On Disaster And Rescue Services And The Status Of

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Rescue Workers.' (Moscow ROSSIYSKAYA GAZETA in Russian 31 Aug 95 pp 4-6) (14000) (Text)

Yeltsin 24 August Edict No. 874 Approving Appended Statute And Composition Of Chernomyrdin-Chaired Council On Local Self-Government. (Moscow ROSSIYSKAYA GAZETA in Russian 29 Aug 95 p 4) (2500)

Yeltsin 26 August Edict No. 879 Increasing State Salaries By 1.54 Times From 1 September. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Aug 95 p 1) (100)

Federal Law No. 154 of 28 August On General Principles Of Local Self- Government Organization. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Sep 95 pp 4-6) (14000)

SECTION III: SCIENTIFIC-TECHNICAL

Duma 14 July Decree No. 1012-1 Giving First-Reading Approval To Draft Federal Law 'On Science And State Scientific And Technical Policy.' (Moscow ROSSIYSKAYA GAZETA in Russian 1 Sep 95 p 6) (200)

Draft Federal Law On Science, State Sci-Tech Policy. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Sep 95 pp 9-10) (9000)

Regional Affairs

Altay To Get W. Siberia Level of Economic Support

MM0709144395 Moscow ROSSIYSKIYE VESTI in Russian 6 Sep 95 p 1

[Unattributed report under the "In the Corridors of Power" rubric: "Subsidies. Altay Receives Support"]

[FBIS Translated Text] The Russian Federation Government has adopted a decree "On Additional Measures To Stabilize the Economy in Altay Kray." It envisages bringing the level of funding for the kray from the federal financial support fund for Russian Federation components in line with the average level of funding from it for West Siberian oblasts. It is planned to develop exploration work in the kray and also to construct gas distribution networks and water supplies in the Kulundinskaya steppe, and modernize and build new highways.

Petersburg Mayor Confirms 16 Jun 96 Election Date

LD0709194795 Moscow Radiostantsiya Ekho Moskvy in Russian 1800 GMT 7 Sep 95

[FBIS Translated Text] The mayoral elections in St. Petersburg will be held on 16 June 1996, the current mayor, Anatoliy Sobchak, confirmed today in an interview to our correspondent Lev Golstein.

[Goldstein] Sergey Filatov, head of the Russian president's administration, believes that no mayoral elections will be held in St. Petersburg in the summer of 1996, the SMENA newspaper reports on its front page. The newspaper quoted Sergey Filatov as saying that the elections are unlikely to take place. Anatoliy Sobchak comments for the Ekho Moskvy radio station.

[Begin Sobchak recording] I think that this is just a misunderstanding and crossed wires. I have spoken to Sergey Aleksandrovich Filatov and he said that he never uttered anything concerning the mayoral elections in St. Petersburg. He said it was all fantasies of journalists. [end recording]

[Goldstein] Sobchak recalled that the City Council of St. Petersburg last week determined the date for the mayoral elections. The elections will take place on the first Sunday after the term of office expires for the current mayor, that is, on 16 June, when a new mayor will be elected. Sobchak, however, expressed hope that he will be reelected.

Law on Novosibirsk Oblast Soviet Elections Viewed

954F3323A Novosibirsk SOVETSKAYA SIBIR in Russian 30 Aug 95 p 1

[Article by N. Zubritskaya: "The Fateful Flaps of the Left and Right Wing"]

[FBIS Translated Text] The bulk of the debates at the session of the oblast soviet of deputies revolved around the draft of the oblast charter and the law on electing the head of oblast administration.

Conscience on the Left, Conscience on the Right

Those who have been following the latest sessions of the oblast soviet got the impression that at the latest, thirteenth, session relative calm—or, as some see it, "truce"—gave way to political confrontation. True, the atmosphere was electrified by expectations pegged on the package of draft laws: the oblast charter, the law on electing the oblast soviet deputies, and the law on electing the oblast administration head.

Such a procedural phase as forming the agenda was deftly used to wage an undeclared duel between the interested parties. In the heat of arguments that the fateful documents are not ready for adoption in the first reading, the draft law on electing oblast soviet deputies was dropped from the agenda. "Congratulations" on the subject, delivered from the chairman's tower by A.P. Sychev, were colored by bitter sarcasm. As subsequent

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events at the session showed, in the "tug of war" between the oblast administration, which insisted on speeding up the work on the draft laws, and a group of deputies headed by V.Ye. Kuznetsov, who argued that the draft law on electing the head of oblast administration was not ready to be adopted in the first reading, the chairman of the oblast soviet of deputies took a compromise position.

As is known, interested parties project the situation at the session many moves ahead. Roles are assigned; the text is written out. If a winning scenario goes through, one line of behavior is followed; under a losing scenario—a completely different one. We talked about this outside the meeting hall with T.P. Indinok, who was present at the session.

"Lobbying!" she pronounced, in a somewhat accusatory tone, the word describing these manipulative processes.

"Yes, but this is not illegal in a parliament," I cautiously tell her, a deputy chairman of the oblast court, fully aware that my erudition is not sufficient to judge freely on this sort of "rights."

"Personally, I would never start something like this—I would take a straight line," remarks my interlocutor.

Next we reminisced that in similar cases, especially in political battles, almost everyone believes they are right. Does this mean their conscience is clear? And how do they behave when they need to prove they are right? Let us also keep in mind that local politicians mainly share the same slogan: "In the name of the people!" But what passions seethe under the banner "People need it!" is not always known precisely by the people carrying it.

The Status Will Provide for Us

More than two years ago a decision was made to draft an oblast charter. There were several projects that did not satisfy the authors. After this April's decision on organizing the work on the oblast's fundamental law, a representative commission was set up under the cochairmanship of the oblast soviet chairman and the oblast administration head. They tried to find an optimum solution.

A.P. Sychev noted in his remarks that work on the draft charter proceeded with difficulties: One could frequently detect the interest of one or the other branch of authority to put through its version of the decision. On some positions these versions were not compatible or were even in contrast. Wherever a coordinated decision could not be reached, the commission decided to present more than one conceptual provision. Such a draft is presented for the consideration of the entire population.

As to the expediency and possibility of adopting the charter, in this respect, according to A. Sychev, there are more than enough reasons. Since the time the Federation Treaty was signed, the words "a charter of the Russian Federation component" have appeared in the theory of law and politics. This treaty's provisions bring krays and oblasts closer to the status of Russian Federation components, which already had the right to adopt constitutions and fundamental laws. In conditions where the constitution put federation components in a favorable lawmaking environment, and it would be silly not to use it, to say the least. The weakness of a legal base, or the absence thereof, "holds back the oblast's development," "prompts it to do things which in the presence of laws it could and would do differently and better."

The draft law currently promises us the following: realization and protection of the rights and freedoms of man and citizen on the oblast territory; the functioning of the institution of people's power; satisfaction of the material, social, and spiritual needs of the population, and social protection of citizens in the environment of market relations; and more effective solution of the tasks the organs of state authority and local self-government are facing. Realization of all these tasks is possible, however, on the condition that "a certain model of state authority and local self- government in the oblast, functioning and developing on the basis of democratic principles and legality, observing the balance in the separation of the legislative and executive branches...," is established, the memo accompanying the draft charter states.

Outside the Body of the Text

Two unnumbered chapters remain outside the text. They can be included in the draft if a certain version of Article 8, which defines the system of state authority in Novosibirsk Oblast, is adopted. A.P. Sychev in his remarks described their substance in sufficient detail.

One chapter concerns local organs of state authority. In the current situation, the oblast legislative and executive, as well as the judicial, branches are at the same time organs of state authority. In the cities, rayons, towns, and villages, organs of self-government have been formed. Quite frequently they exist only on paper, and do not function or barely function. As we know, they were set up on order, hastily—to replace the abolished local soviets of people's deputies. No one tried in the process to find out the people's opinion as to whether a transition to a new system was needed. For rural settlements and villages the existence of such organs is acceptable: The representative part has been elected and is in effect. But for cities of oblast

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significance—Novosibirsk, Berdsk, Kuybyshev, Iskitim, Ob, and Tatarsk—for oblast rayons and districts of an oblast city the transition to a system of local self-government has to a large extent worsened the situation. By de facto removing elected representative organs, it made people's power unrealizable. Neither is self-government supported by any budget means.

When the commission was working on the draft, it found it expedient to form in such cities and rayons local organs of state authority and define the entire procedure of their operation by oblast legislation.

The second chapter that remained outside the project's text interprets the status and formation of the oblast assembly of representatives. The point is that the draft charter presents two versions of the system of state authority, which envisage, in particular, different methods of electing the head of the oblast administration. Namely: By popular direct secret ballot of the representative assembly.

A.P. Sychev's opinion: "Establishing a representative assembly as an organ of state power with the authority to the elect head of the administration and remove him from the job, as well as disbanding the oblast soviet of deputies substantially raises the status of organs of local self-government. It gives them the opportunity to exert an influence on the activities of the oblast administration and the oblast soviet." Anther advantage: The assembly of representatives can decide more competently questions of electing and removing from the job the head of the oblast administration. At the same time, the head of administration has the right to bring to the assembly of representatives the question of suspending the powers of the oblast soviet of deputies. One-third of the representative assembly also can request it.

The "cheapness" of such a system compared to the cost of popular elections was also emphasized.

Two or Three Roads and Destinies

Most deputies appraised negatively the situation with multiple choice of the "oblast system of state authority" in the draft charter. At this stage, that is, during the adoption of the first draft, the proposal should have been better defined, in their opinion, especially considering that the session also discussed elections of the head of administration. However, the day before the commission supported both options. "So you have two options—that is it!" explained V.Ye. Kuznetsov.

The chairman of the commission on legislation once again tried to convince delegates that if such a document, which "defines where the situation in the oblast will be developing," is to be adopted, the reservation should be made that serious changes may be made in subsequent work. "Strictly speaking, we have not yet worked out a final, literate, intelligent version that would ensure stability in the development of our political system of organs of state authority in the oblast," V.Ye. Kuznetsov emphasized time and again.

Serious criticisms of the draft charter were put forward by Deputy P.N. Isayev, who counted in it "at minimum three versions of the state system for the oblast." The first—"made to fit the current system of administration," which, in his opinion, "suffers from an unprofessional approach and a tendency toward abuse and criminalization of a closed bureaucratic system."

The part regarding individual rights and freedoms remains on the same declarative level as is done and adopted in the constitution. The draft does not contain a scheme "of that very system that would permit the elimination of violations of human rights happening right here, in any city, rayon, city block, at the grass roots level."

The draft laws' shortcomings were registered, but the polemics proceeded mainly on procedural points. The work on the contents does not fit the session's agenda—so far. But proper attention was paid nevertheless to one burning issue. When to hold elections of the oblast administration head? Most of the "home work" presented and the overwhelming part of the debates were precisely on this topic. We will go into more detail on this in one of the next issues.

Bashkir President Rakhimov Views New Federalism

954F3321A Kazan IZVESTIYA TATARSTANA in Russian 30 Aug 95 p 2

[Interview with M. Rakhimov, president of the Republic of Bashkortostan, by TATAR-INFORM; place and date not given: "Hand in Hand"]

[FBIS Translated Text] On the eve of the fifth anniversary of the proclamation of the Declaration of State Sovereignty of Tatarstan the TATAR-INFORM Agency distributed an interview with M. Rakhimov, president of the Republic of Bashkortostan, which contains assessments of this period in the light of the formation of a genuinely federalist arrangement of the Russian Federation.

We publish this interview in slightly abridged form.

[TATAR-INFORM] Our republics were allies in the difficult struggle for a new federalism, a broadening of economic, cultural, and, to a certain extent, political independence, and increased responsibility to our peoples for their present and future. What results of this process may, in your view, be considered the most significant?

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[Rakhimov] Five years ago the fresh wind of Russia's democratic renewal, which had arisen thanks to the efforts of our peoples also, created new propitious historical conditions for the birth of a true federation.

We value highly the efforts of the leadership of the Russian Federation and the political courage that was manifested in the adoption of the Declaration of State Sovereignty of Russia, the highest purpose of which was proclaimed to be the assurance for each people of the "inalienable right to self-determination in their chosen national-state and national-cultural forms," and also in B. Yeltsin's statement in Ufa and Kazan in 1990 concerning the right of the republics to take as much sovereignty as they could.

Our republics and peoples were ready to rise to the new level of their historical statehood and commenced the corresponding work. It was Tatarstan and Bashkortostan that were the first of the republics within Russia to take the path of the building of sovereign states.

We relied here on the results of republic referendums which unequivocally expressed the will of our multinational peoples. We saw and continue to see as the political mechanism of this process the following: the authority and tasks which we can ourselves assume, we enshrine in our constitutions and legislation, all the rest we hand over to the authorities of the Federation, by way of the conclusion of the corresponding treaties and agreements. It was this policy that our republics adhered to in the course of the negotiations with the Russian Federation. We see as the optimum and most democratic form of the structure of Russia a constitutional-treaty federation, when the basic principles of a federative state and precisely determined federal powers are enshrined in the Constitution of the Russian Federation, and the remaining powers and terms of reference are distributed between federal authorities and components of the Federation by supplementary treaties, with regard to their specifics and possibilities.

It was such an approach that was realized in our republics' treaties with the Russian Federation. These treaties were steps toward the building of a genuinely federative state, setting hereby an example to the components of the Federation of the preservation of the integrity of our common home—great Russia. The treaties recognized the Constitutions of Tatarstan and Bashkortostan, their state sovereignty, and the right of the multinational peoples of the republics to independently resolve problems connected with property, the budget, taxes, legislation, the judicial system, and international activity.

We have our own approaches to the implementation of economic reforms, the structure [line illegible] enterprises of the military-industrial complex which take account both of the processes of the development of the Russian Federation and our specifics. And it may be said today that we have proven to be right in our approaches.

Economic independence has made it possible to pursue our own policy of gradual market reforms, with preservation of the organizing role of the state. As a result we, as distinct from other regions of Russia, have not only avoided a wholesale decline in production and the destruction of the existing production and social infrastructure but have also achieved an actual improvement in the work of a number of sectors, in the social protection of the populace, and in the development of science, education, and culture. And the most important result and achievement of our policy has been the preservation of stability and the atmosphere of interethnic and inter-religious harmony in our republics and the creation of the conditions for the normal life and activity of the citizens.

[TATAR-INFORM] What can you say about your relations with President of Tatarstan M. Shaymiyev? How are these relations reflected in interstate policy and the relationship of the two fraternal peoples?

[Rakhimov] We have very good and close relations with President of Tatarstan Mintimer Shaymiyev. This means not only constant businesslike cooperation but also mutual human affection and time-tested friendship. We confer constantly, exchange opinions, and familiarize ourselves with each other's work. There is not a week or even a day that goes by, perhaps, that we do not call each other and talk. We interact closely in the Federation Council also during discussion of topical questions of the development of the Russian Federation, its regions, and our republics.

I respect M. Shaymiyev as a bold and competent, multifaceted, and flexible politician capable of adopting nonstandard and original, but profoundly considered and wise decisions. We see how much he is doing to ensure that Tatarstan acquire worthy recognition in the Russian Federation and throughout the world.

And our personal friendship is a reflection of the centuries-old friendship of our peoples and the cooperation of the fraternal republics.

A great deal of work is being done today on the all-around realization of our Friendship and Cooperation Treaty, and there is a constant exchange of official delegations of ministries and departments on matters of its fulfillment.

Our republics are looking to the future with confidence. And in all its scenarios we invariably see good prospects

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of the extension and development of our cooperation and a strengthening of our age-old friendship. There is nothing to divide us, but there are and will be things to share with each other.

[TATAR-INFORM] How do you perceive the fifth anniversary of sovereign Tatarstan? What do you see as the prospects of our common development in the Russian Federation?

[Rakhimov] It is said that five years is in history but an instant, but much can be done even in this period of the history of a state, apparently. And our republics are an example of this. Without repeating myself and without enumerating the most important landmarks in the realization of sovereignty, I will say only that work which has been difficult and which is very important for the future has been done. But it should be remembered that this is only the beginning, the foundation. Further painstaking, creative, and all-around work is required for all that is contained in our sovereignty declarations, constitutions, and treaties with the Russian Federation to be put into effect and realized.

We want to see the continuation and development of the democratic transformations in Russia and a strengthening of its unity and power on a genuinely federative basis.

Transformations in Russia with the strengthening of the independence of such important states within it as Tatarstan and Bashkortostan will serve the interests of all our peoples, an improvement in their social, political, and national disposition and well-being, and the consolidation of interethnic cooperation.

We believe that our republics will become true modern states within great Russia and will be capable of realizing the age-old aspirations of their peoples. We will intensify and expand cooperation between the fraternal peoples of Tatarstan and Bashkortostan for friendship and cooperation are predetermined by history itself and the fate of our peoples. I believe that we may boldly take pride in our friends and our friendship, which has been tested by the ages and ordeals.

In conclusion, permit me on the eve of the splendid jubilee—the fifth anniversary of the proclamation of the sovereignty of the Republic of Tatarstan—to wish your industrious and splendid people success, prosperity, and happiness.

Economic Issues

Congress Urges State Support for Commercial Banks

LD0809092995 Moscow ITAR-TASS in English 0652 GMT 8 Sep 95

[By Yevgeniy Popov]

[FBIS Transcribed Text] VLADIVOSTOK, September 8 (ITAR-TASS) — The Second International Banking Congress ended in Valdivostok on Friday with signing a joint delcaration on prospects for cooperation and development of financial structures in Asia-Pacific countries.

The final documents of the congress, drafted with participation of major banks from Russia, Japan, the United States, Britain, Germany and Hongkong, make special emphasis on the need for state financial support of Russian commercial banks.

Suggested measures include rehabilitation credits and a moratorium on collection payments, purchase of blocks of shares belonging to crisis-stricken banks into territorial or federal property with subsequent re-sale to new owners as well as simplified sales by commerical banks of part of their authorised capital to foreign investors against programmes of financial improvement.

Besides, in compliance with a decision by the International Banking Congress, it is planned to institute a special bank by the year end, which will grant credits to major investment projects in the region.

'Gazprom' Offers Share Sale To Back Gasification

MK0809085995 Moscow SEGODNYA in Russian 7 Sep 95 p 4

[Unattributed report: "'Gazprom' Would Like To Sell 15 Percent of its Shares To Provide Gasification to Central Oblasts of Russia"]

[FBIS Translated Text] Rem Vyakhirev, chairman of the "Gazprom" Joint-Stock Company board of directors, has come out with an initiative, offering 15 percent of the state-owned shares in "Gazprom" for sale on the domestic market, with a view to financing a wide-scale gasification program for the Central Russian oblasts. He announced this yesterday in Kursk at a session of "Chernozemye," an economic association comprising six oblasts of the Russian Federation's Central Region, in response to a gasification development program submitted by the region's leaders. R. Vyakhirev mentioned that he had seen and contributed to many gasification programs in his life, although none of them had been implemented due to insufficient funds. According to him, the funds obtained from the sale of the

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"Gazprom" state-owned shares must be channeled entirely into this program in accordance with the priorities to be determined by the Russian government.

"Gazprom's" chairman noted that the company saw no feasible source of funding for this project, except a share sale. Russian Federation Premier Viktor Chernomyrdin, chairing the session, acknowledged that a "nonstandard solution" has to be found to resolve gasification problems, but he did not react to the move by the "Gazprom" leader. He spoke definitely in favor of the prompt development and implementation of the program, adding that the gasification level today is 5-7 percent in the rural areas of the country.

Dubinin Cited on Decision To Join 'Gazprom' Board

MM0709163495 Moscow IZVESTIYA in Russian 6 Sep 95 pp 1,2

[Article by Irina Savvateyeva: "Concerning Former Acting Minister Dubinin, Appointed to the 'Gazprom' Board"]

[FBIS Translated Text] Sergey Dubinin, former Russian acting minister of finance, has joined the membership of the "Gazprom" board. He will oversee the company's financial activities. Sergey Dubinin is known in business circles as a supreme professional with the reputation of being an honest and absolutely decent human being. This idea of him has not altered in the slightest as a result of his career setbacks in the Finance Ministry.

It is no secret that Dubinin's dismissal from the post of acting finance minister following the events of "Black Tuesday" was carried out without Chernomyrdin's knowledge, the latter having regarded him with respect. In banking circles it is believed that Dubinin's subsequent appointment to the post of deputy chairman of the board of the "Imperial" commercial bank, of which the "Gazprom" Russian Joint-Stock Company is a major shareholder, was on the premier's initiative.

And there are strong rumors of differences that have allegedly arisen of late between "Imperial" and "Gazprom."

These differences are interpreted as follows: "Gazprom" tried to dictate its own terms to Mr. Rodionov, evidently believing that the chairman of the board of a bank must be obedient to the main shareholder; but Mr. Rodionov behaved like an independent and autonomous figure. "Gazprom's" decision to transfer its ruble accounts to its own "Gazprombank" was a direct result of this conflict, observers believe. Mr. Dubinin himself, in an interview for IZVESTIYA, denied that there was any conflict between the bank and the gas firm. He gave us to understand that his intention to leave "Imperial" was formed some time ago, but he had been detained by an agreement with the bank management whereby he would first finish work on preparing a large issue of "LUKoil" bonds.

In reply to IZVESTIYA's questions, Sergey Dubinin said that, as he saw it, one of his main tasks was to spend "Gazprom's" financial resources more effectively. But he did not agree that "Gazprom" still had a large quantity of available finance which could be used as a significant reserve to bolster the budget. Particularly given the current conditions of massive nonpayments and regulated gas prices.

In this connection, Sergey Dubinin is convinced that "Gazprom" absolutely needs the stabilization fund, the legitimacy of the formation of which is currently being questioned by the Economics Ministry. "The only question is how to form the fund," Dubinin believes.

Commenting on his decision to join "Gazprom," Sergey Dubinin explained: "I believe that there is greater scope for activity here." But he did say that it is rather difficult recruiting specialists for work in "Gazprom," since "the level of pay in this institution is significantly lower than in the commercial banks."

Fuel, Energy Companies Owe Budget R6.5 Trillion

MM0709075995 Moscow IZVESTIYA (Financial Section) in Russian 7 Sep 95 p 1

[ANI report: "Fuel and Energy Complex Enterprises' Debts to Federal Budget Over R6.5 Trillion"]

[FBIS Translated Text] The debts of Russia's fuel and energy complex enterprises stood at 6,559 billion rubles [R] to the federal budget and R3,609 billion to extrabudgetary funds as of 1 August this year. Among oil companies the largest deferred debts to the federal budget as of 1 August were owed by "LUKoil" (R1,478 billion), "Rosneft" (R809 billion), and "SIDANKO" (R782 billion). These companies owe extrabudgetary funds R135 billion, R254 billion, and R718 billion respectively. Power generation enterprises owed R644 billion to the federal budget over this period and R423 to extrabudgetary funds.

Russian Nonattendance at UK Arms Fair Explained

MM0709163995 Moscow IZVESTIYA in Russian 6 Sep 95 p 3

[Reports by Aleksandr Shalnev and Aleksandr Sychev under the general heading: "Did We Miss the Party?

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Why Russia Was Not Among the Participants in the Military Equipment Exhibition in Aldershot"]

[FBIS Translated Text] [Shalnev report] London — A rear admiral, whose name and post we failed to find out, was to have come from Russia. But we need not have bothered: The rear admiral did not come and no reasons were given.

So we were practically the only country to receive an invitation to this prestigious exhibition and not send a representative.

It is a pity, of course, because we would have been able to have a pretty substantive discussion about sharing foreign markets for military equipment, a discussion we need every bit as much as the British who organized the exhibition and our other main competitors in the military production sphere.

The fight for market share is a desperate one, as you know. The end of the cold war has shrunk the market, while local conflicts, even ones like the Yugoslav conflicts, the consequences of which could extend far beyond a particular region, cannot make up for what was lost with the advent of the cold peace. Now the countries that are the main exporters of arms and military equipment face the task of increasing their share of a dwindling market as much as possible and consequently maintaining earnings from weapons sales at the previous average annual level at least for the next few years.

This is what a top representative of the British Defense Ministry actually said when he opened the exhibition of military equipment in Aldershot near London. He stressed that the only alternative to this course is to wind up military production and face disastrous economic and social consequences. In Britain, these exports bring in around 5 billion pounds annually, providing work for nearly half a million people.

In Britain arms exports are a matter of state importance, almost paramount importance. There is an ideological foundation underlying it: The task of increasing exports is explained by the need to ensure stability in the world, since conflicts occur, the same Defense Ministry official said, when one country begins to see its neighbor as insufficiently defense-capable.

While publicly acknowledging that Russia is a serious rival to Britain, just as China is, for example, the exhibition organizers gave us to understand privately that the competition is, perhaps, not that bad, since Russia has thoroughly undermined its own positions in the world market in the last few years either by revising contracts that had been concluded or by breaking them, as a result of which its former reputation as a reliable partner has been seriously damaged. One important British Armed Forces official candidly told me that it would take us many, many years to recover our reputation, and competitors would be too far ahead by then.

An interesting detail emerged at the exhibition: Arms production and exports are carried out by hundreds of companies in Britain, but the government takes the most vigorous steps to quell competition among them if necessary and thus ensure a united and monolithic front in the onslaught on foreign consumers. "We cannot afford to dissipate our forces," I was told, "because there is a great danger that while we are squabbling, rivals from other countries will seize the prize we are after."

[Sychev report] Without doubt, the weapons trade is extremely important. The arms business not only provides Russia with hard currency, but also provides work for military-industrial complex enterprises that have been in a prolonged and severe crisis. This means that highly skilled cadres are retained and designers are able to create new models of armaments.

According to information on the state of the Russian weapons trade, culled from various sources, the crisis of the early nineties now appears to be ending. In 1992 Russian exports all but collapsed to $1 billion, but in 1995 the value of all contracts that have been concluded, specifically according to a report recently distributed in the U.S. Congress, could reach $4 billion. But even if that is true, Russia still falls far short of the place that befits its technological and production potential. Why, then, did Russian trade organizations reject the opportunity to show our weapons again?

IZVESTIYA was given the following explanation at the press department of the "Rosvooruzheniye" state company: Several exhibitions of arms and military equipment are held every month somewhere in the world. These events are of different size and significance. Sometimes there are as many as five or six and often the dates coincide. Therefore it is impossible to attend all of them. Moreover, it is a very expensive pleasure. Therefore, foreign and Russian firms trading in military equipment display their wares only in places where they can be sure that a potential buyer will be present. In regions that attract our exporters and at all major exhibitions Russian is present and is fighting successfully and fiercely for sales markets.

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Drought-Hit Areas To Receive Additional Funds

MM0709144695 Moscow ROSSIYSKIYE VESTI in Russian 6 Sep 95 p 1

[Unattributed report under the "In the Corridors of Power" rubric: "Subsidies. Dealing with Effects of Drought"]

[FBIS Translated Text] With a view to dealing with the effects of the drought in Orenburg, Volgograd, and Saratov Oblasts and the Republic of Kalmykia, additional funds of 195.1 billion rubles have been appropriated to finance work to deal with the effects of the drought and to purchase seed for winter grain crops.

Duma Decree No. 1092-1 on Financing Food Purchases

MM0709112895 Moscow ROSSIYSKAYA GAZETA in Russian 5 Sep 95 p 6

[State Duma Decree No. 1092-1, signed by Speaker Rybkin and dated 21 July: "On the Formation of the Federal Food Fund;" accompanied by a commentary by Aleksandr Gavrilyuk under the general heading "Far North Will Pay"]

[FBIS Translated Text] Russian Federation Government Decree No. 241 "On Measures To Implement the Federal Law 'On Purchases and Deliveries of Agricultural Products, Raw Materials, and Food for State Needs'" of 13 March 1995 lays down the volumes of purchases and deliveries to federal stocks in 1995 of agricultural produce, raw materials, and foodstuffs — 8.6 million tonnes of food grain, 1.16 million tonnes of meat and meat products, 6.1 million tonnes of milk and dairy products, and other products.

In total the following amounts had been purchased for the aforesaid stocks as of 20 July 1995: 25,000 tonnes of grain and 45,000 tonnes of meat and meat products.

The main reason for the derailing of this most important state task — the purchase of agricultural produce, raw materials, and foodstuffs by the Russian Federation Ministry of Agriculture and Food's Federal Food Corporation — is the lack of financial resources. The federal budget for 1995 provides for 5.4 trillion rubles [R] in repayable budget loans to be used for these purposes in 1995. In effect the Russian Federation Ministry of Agriculture and Food's Federal Food Corporation had been allocated only R15 billion as of 1 July 1995.

Given the exceptional importance and state significance of ensuring food supplies for the country's population, the Russian Federation Federal Assembly State Duma decrees that:

The Russian Federation Government is instructed to:

— urgently examine the question of purchasing agricultural produce — primarily food grain and livestock products — for federal stocks of agricultural produce, raw materials, and foodstuffs. Particular attention shall be paid to dispatching foodstuffs to regions of the Far North and equivalent localities;

— allocate to the Russian Federation Ministry of Agriculture and Food's Federal Food Corporation R2.7 trillion by 15 August 1995 to cover half the cost of agricultural produce, raw materials, and foodstuffs bought for federal state needs;

— raise financial resources from major commercial banks to fund purchases of foodstuffs — primarily grain and livestock products;

— finance bank-loan interest-rate differentials out of funds earmarked in the federal budget for food purchases.

[Signed] I.P Rybkin, chairman of the Russian Federation Federal Assembly State Duma

[Dated] Moscow, 21 July 1995

No. 1092-1

Commentary

Let me begin by stating that the Federal Food Corporation, which was founded early this year, has encountered a great deal of difficulty — if only because it has had to deal with by no means easy tasks. This year the Federal Food Corporation is meant to purchase and deliver to federal stocks 9.5 million tonnes of grain, 1.125 million tonnes of meat, 6.5 million tonnes of milk, and a lot of other agricultural produce required for the continuous supply of the population — for which the federal budget provides for the allocation of R5.4 trillion.

Unfortunately, this money has still not been received. The search for a way out of this highly complex situation has led to the corporation being forced to appeal to the commercial banks — in particular, R700 billion was borrowed from "Menatep" and R230 billion from Tveruniversalbank against Finance Ministry guarantees. Put bluntly, that is half the sum that is supposed to be paid to the farms, but autumn is already upon us, and everything that the Federal Food Corporation has advanced should be repaid — the harvest is ready, but there is absolutely no money. [sentence as published]

The commercial banks were approached once again, but it did not work out. The banks were ready to lend, but interest rates have risen sharply of late — the banks are not interested in lending at less than 130 percent

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per annum nowadays. Translated into human, layman's terms, this means that even at a 100-percent interest rate, for instance, a loaf of bread would at least triple in price in January-February to around R6,000.

It was this fact above all that impelled the deputies to adopt their decree — which, I would note, is only a recommendation for the government (the legislators have not yet found time to adopt a law on the Federal Food Corporation).

The situation is further compounded by the fact that the shipping season is coming to an end, and yet there have been no purchases or, consequently, consignments of food for the North. Nobody knows how to get out of this highly complex situation; although the corporation currently has dried milk and butter available, its customers have no money.

As for the Duma's recommendation for R2.7 trillion to be allocated to the corporation to cover half the cost of the agricultural produce bought for federal and state needs, nobody has even heard about this money as yet.

Getting back to the relations with commercial banks on their funding of purchases for federal stocks, we can assume that there will be no problems in this area provided there are guarantees from the government and the Federal Food Corporation that the produce will be bought back [vykuplena] in the fall — but guarantees are few and far between. Things will also be tough next year if the situation regarding the final settlement does not change, if only because the state orders are far in excess of the amount of money being allocated to acquire them.

Nonetheless, experts believe that ultimately the money will be found: It is just a question of who will have to cover the interest-rate difference — the population, or the state out of the budget. That is probably the saddest thing about this decree.

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International Affairs

Khandohiy Meets Bulgarian Foreign Minister in Sofia

LD0709220895 Kiev Radio Ukraine World Service in English 2100 GMT 7 Sep 95

[FBIS Transcribed Text] As the Ukrainian Foreign Ministry press service disclosed on Thursday, 7th September, Deputy Foreign Minister Volodymyr Khandohiy met in Sofia — Bulgaria's capital city — Bulgarian Foreign Minister [Georgi] Pirinski for bilateral consultations involving preparations for the 50th session of the UN General Assembly.

Mr. Khandohiy informed the Bulgarian foreign minister about President Kuchma's initiative to invite the Balkan belligerents to a meeting in Kiev with the view of peaceably resolving the Yugoslavian crisis. Bilateral cooperation issues were also discussed at the meeting in Sofia.

Oliynyk Notes Desire For Council of Europe Membership

LD0709122495 Moscow ITAR-TASS in English 1203 GMT 7 Sep 95

[By Mikhail Melnik]

[FBIS Transcribed Text] KIEV, September 7 (ITAR-TASS) — If Ukraine becomes a full member of the Council of Europe on September 26, this will give the country guarantees of its national security and, at the same time, will make it possible for it to take part in the implementation of all-European programmes, Boris Oliynyk, Chairman of the Parliamentary Commission for Foreign Affairs and Relations with CIS, said at a press conference here today. He summed up the results of a meeting of representatives of the Council of Europe in Paris, held early in September.

Oliynyk said that the overwhelming majority of participants in the meeting voted for admitting Ukraine to the Council of Europe, and three abstained from voting. In his opinion, such a "smooth voting" is the result of the fact that "Ukraine met all the requirements for the admission to the Council of Europe."

The voting on admitting Ukraine to the Council as a full member will be held in Paris on September 26 at an autumn session of the Parliamentary Assembly of the Council of Europe. At present Ukraine is an associated member of the Assembly.

Oliynyk stressed that Ukraine — a non-nuclear country, which is not a member of any blocs, does not seek to become a NATO member. He believes that it is necessary to grant to Russian units, deployed on the territory of Ukraine, the status of a "foreign army", and to do it as quickly as possible. It is also necessary to resolve the problem of the division of the Black Sea Fleet. "Otherwise we may be regarded as part of a Ukrainian-Russian military alliance," he said.

Oliynyk stated at the press conference in Kiev that "if any other country wishes to join NATO, Ukraine will not oppose it. This is the decision to be taken by each country individually." He added that "no one has the right to veto the striving of this or that country to join the NATO military bloc."

Concern Over Ukrainians in Former Yugoslavia

LD0709165395 Moscow INTERFAX in English 1500 GMT 7 Sep 95

[FBIS Transcribed Text] Kiev, September 7 (INTERFAX-UKRAINE) — Ukraine "cannot be indifferent" to the fate of the ethnic Ukrainians living in the territory of former Yugoslavia, Chairman of the Parliamentary committee for Foreign Affairs and relation with CIS, Borys Oliynyk believes.

At his press conference on Thursday [7 September] in Kiev he proposed the Ukrainian leaders address all the sides in the conflict with the request that they ensure safety for the ethnic Ukrainians living in the territories of their countries.

Besides, B. Oliynyk deems it possible to examine the issue of granting them asylum in Ukraine.

A member of the Parliamentary committee for foreign affairs Taras Kiyak, who took part in the press conference, disclosed that according to the information at his disposal, the number of ethnic Ukrainians living in former Yugoslavia decreased five times during the Balkan crisis. "In fact, they have been physically exterminated", he said.

'Misunderstanding' Over Comments on Bosnia Viewed

AU0709142195 Kiev HOLOS UKRAYINY in Ukrainian 6 Sep 95 p 6

[Commentary by Anatoliy Martsynovskyy: "How Ukraine's Point of View Became More Explicit"]

[FBIS Translated Text] **Statements by leaders on particular extraordinary international events are an integral part of a country's foreign policy. The recent operation by NATO and the UN Rapid Reaction Force in Bosnia was just such a event. There was a misunderstanding with the Ukrainian reaction to the NATO bombing.**

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Last Thursday [31 August], the Ukrainian Foreign Ministry published a statement, which read as follows: "The mass strikes by NATO air power and by the artillery of the UN Rapid Reaction Force on the positions of the Bosnian Serbs have become a logical response to the continued criminal actions against the civilian population of Sarajevo. These actions by NATO were taken following a thorough investigation, which proved beyond doubt that the fatal shelling of the center of Sarajevo had been carried out precisely by the Bosnian Serbs...." Thus, the statement by the country's foreign policy department, in fact, supports the NATO actions, even though "deep concern" is expressed about the prospect of further escalation of the conflict.

On the same day, 31 August, the Ukrainian president was rather far away from Mykhaylivska Square [in Kiev]: He was meeting with workers in Feodosiya [in the Crimea]. There, he publicly expressed a view... opposite to that of the ministry. "I do not support such pedagogics," said Leonid Danylovych. "I don't think that strength in this form will be received positively by the warring sides." These presidential words appeared on Ukrainian television and were quickly circulated by information agencies.

Apart from Leonid Kuchma, such a position was only voiced by his Russian counterpart Boris Yeltsin. However, this is not what matters. The thing is that foreign politicians must obviously think hard: Whose statement reflects Ukraine's official position in the end?

The press has also made its "contribution." On that same unfortunate day of 31 August, a Kiev newspaper, one that is also read in foreign missions, published a report under a "sensational" headline: "Ukraine's Foreign Ministry Condemns MATO Actions in Sarajevo." Here are quotations from it: "The NATO actions, the Ukrainian Foreign Ministry's statement points out, jeopardize the positive trends that have recently taken shape on the road toward a peaceful settlement of the crisis..." In the given situation, "the international community must take decisive measures against the direct perpetrators of the atrocity...." Thereby, the prestigious paper turned everything upside down and presented NATO (apparently together with the UN Rapid Reaction Force) as criminals. Of course, the ministry called this a sheer fabrication. As for the origin of this nonsense, it appears that something in the Foreign Ministry's statement on the shelling of Sarajevo by the Bosnian Serbs that provoked the NATO strike had been confused by the editors.

Let us now return to the president's position: As was to be expected, he made his statements less categorically. At Monday's [4 September] joint news conference with Malcolm Rifkind, the United Kingdom's foreign and commonwealth affairs minister, Kuchma stated, according to INTERFAX: "We positively assess those decisions that do not involve the use of force.... However, it is impossible to resolve this (Bosnian — editors] problem by political means alone...."

Consequently, the incident is, by now, over, and everything has been put in its place. Ukraine's views of the situation in Bosnia can be clearly followed. As a result of the NATO "pedagogics," trucks of humanitarian aid are heading for Sarajevo.

Repayment of Gas Debt to Turkmenistan Promised

WS0709130095 Kiev UT-1 Television Network in Ukrainian 1800 GMT 6 Sep 95

[Interview with Ivan Chilibi, general manager of the Ukraine "Ukrhazbud" joint stock company, by unidentified UT-1 reporter; place and date not given — live or recorded; Chilibi speaks in Russian]

[FBIS Translated Text] [Reporter] Ukraine has a realistic opportunity to repay its debt for energy resources. At least, this is what Ivan Chilibi, general manager of the Ukrhazbud [Ukraine's gas construction] joint stock company claims.

[Chilibi] Given that Ukraine owes around $100 million to Turkmenistan for gas purchased in 1995, and that the Ukrhazbud is Ukraine's leading company in the field of gas and oil pipeline construction, we have decided to turn to the Turkmen government with a request to find for us construction projects on Turkmen territory. As a result of our negotiations with the Turkmen Ministry of Oil and Gas, we managed to sign the first out of the three anticipated contracts, worth more than $20 million. We will work in Turkmenistan, and the sum of $23 million will be written off on Ukraine's debt for Turkmen gas.

[Reporter] Is there a chance that Ukraine will be able to repay its energy resources debt to Russia in a similar way?

[Chilibi] We cooperate with the Gazprom joint stock company and, practically, the issue has been resolved. We participate in a competition for the right to construct the Yamal-Europe pipeline. We have been tentatively informed that we have been included on the list of the most likely contractors. We will have the contract for constructing around 100 km of the pipeline, which is 1.42 meters in diameter. This approximately amounts to the sum of $100-$110 million.

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National Affairs

Spokesman Briefs Media on Kuchma's Work, Plans

WS0709141695 Kiev UT-1 Television Network in Ukrainian 1800 GMT 6 Sep 95

[FBIS Translated Text] Reform of Ukraine's economy is being hampered by non-observance of edicts and decrees by the Ukrainian president. The activities of the Presidential Control Service in June-August 1995 and its plans for the future were the topic of a briefing held on 6 September at the Presidential Administration's office. At the opening of the briefing, Ukraine's president Press Secretary Mykhaylo Doroshenko informed the participants that the president would return from his vacation by the end of the week. In Crimea Leonid Kuchma had been actively working on the issue of learning and resolving the peninsula's socioeconomic problems, and met local residents. Ukraine's president had been drafting budget for the next year and working on the governmental program. Those documents had been submitted for the Supreme Council's discussion. According to Doroshenko, the president's immediate plans include a meeting with Israeli Prime Minister Yitzhaq Rabin and participation in the pan-Ukrainian session of economists. In September, the president plans an official visit to the Republic of Kazakhstan and a working visit to Volhyn Oblast, where during his visit a border crossing point for cars will be opened on the border with Poland. Currently, the Presidential Administration is conducting work on the structure of oblasts' and rayons' administrations, which will soon be completed and approved.

Conflict Between President, Parliament Seen

WS0709141795 Kiev KIYEVSKIYE VEDOMOSTI in Russian 5 Sep 95 pp 1, 3

[Article by Serhiy Odarych, president of the "Ukrainian Perspective" fund: "Will Conflict Between the President and Parliament Be Prevented? The Fourth Session of the Ukrainian Supreme Council Opens Today"]

[FBIS Translated Text] The upcoming parliamentary session promises to be interesting, and in my guess, should start with a series of conflicts. In any case, two problematic issues, at minimum, have already come into view.

First, there are reasons to believe that there will be an attempt to deprive of deputies' mandates legislators working for the government and deputies holding posts of local administration chiefs. There are 35 parliament members of this kind, and all of them are subordinated — in one way or another — to Leonid Kuchma. Such a decision, if it were to be passed, would be in accordance with the Constitutional Agreement and the Elections Law. As of today, the prime minister is not a plenipotentiary master in the Cabinet. The weakening of the positions of numerous ministers, as well as their loss of deputy powers, will increase Yevhen Marchuk's tangible influence in the government.

Another situation fraught with potential conflicts may crop up in connection with the December elections to the Supreme Council. I believe parliament members will come back to the question: Should these be regarded as by-elections or new elections? Representatives of various political forces are interested in the latter scenario.

In this way, centrist and rightist forces — the Labor Congress of Ukraine [TKU], the Party of Democratic Revival of Ukraine [PDVU], and the Ukrainian Republican Party [URP] — plan to bring to parliament leaders who lost the elections last spring, and consequently, lost the right to a second nomination.

Also, the leftists want to conduct new elections. According to our organization's analysis, they do not have a real chance to bring their people to parliament: Remaining mandates will be given to deputies elected in city constituencies, where communists and socialists cannot count on serious support from the electorate. Therefore, the only feasible alternative for them is to insist on conducting new elections, to make sure that the largest possible number of candidates are nominated, and — in the long run — that none of the deputies are elected.

Two more painful questions have been left for the parliament, as a legacy from the last session: The general prosecutor's resignation and the formation of the Constitutional Court.

A complication in relations between the president and the prime minister cannot be ruled out. As a result of the events of 18 July, at least two major deputy factions — Rukh and the "Statehood" deputies' group, who used to support Leonid Kuchma — severely criticized the head of state. A newspaper edited by Rukh leader Vyacheslav Chornovil has published an article accusing the president and his entourage of a pro-Russian stance. The aforementioned publication hints that the only leader caring about Ukraine's interests is Yevhen Marchuk. There are reasons to believe that the representatives of Rukh and "Statehood" will no longer support every single one of Kuchma's actions. If a conflict between the president and the prime minister arises in parliament, the prime minister will probably be supported by the national democrats. This would lead to approximately 50-60 votes, and with such a number, it is possible to influence decisions.

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Incidentally, according to studies by Ukrainian Perspective [polling organization] conducted among the capital's residents, the prime minister's rating is steadily rising. Last fall's opinion poll of Kiev residents indicated that people did not think Marchuk could influence national politics. Currently, he collects top marks and invariably enters the trinity of Ukraine's leading politicians.

The list is headed by the president. Despite everything, he is so far the only politician whose supporters outnumber his opponents. Volodymyr Lanovyy was rated second, though recently, his rating has gradually decreased. The positions of Oleksandr Moroz are growing weaker. I think this is directly connected with the fact that Kiev residents are losing their trust in the Supreme Council.

Speaking about the ratings of Kiev deputies, only one man's has increased, that of Serhiy Holovatyy. Other parliament members elected in Kiev constituencies are much less popular.

As to Kiev residents' support for parliamentary associations, Rukh takes the lead here, while the communist and socialist factions remain outsiders. The "Reform" deputy group is a little behind the Rukh faction with regard to the number of supporters, however, it has twice as few opponents.

The membership of groups and factions may undergo certain transformations; these trends became observable as early as the end of last fall. It will be interesting to follow the lot of the liberal faction, having the words "social-market choice" in its title, which are generally not much connected with liberalism. The makeup of the liberal faction does not cease to surprise: One can say it is difficult to deem Leonid Kravchuk a liberal. It is also amusing to watch the arrival of the former members of the communist and socialist factions. For the present, it is hard to say how monolithic this team will be. The following impression has been formed: Parties' ambitions have encountered objective reasons — practically, there are no non-affilated deputies in the Supreme Council. So, liberals have expressed their readiness to accept anyone who wishes to join their ranks.

The socialist faction has suffered rather significant losses, and the outflow of support may continue. This means that to preserve this association, the socialists are compelled to "borrow" people from comrades-communists. The "Unity" deputy group and the Interregional Deputies' Group [MDH] are experiencing difficult times. This is due both to the creation of the liberal faction and to internal conflicts. There are reasons to expect the "Reform" deputy group's influence to grow. At the forthcoming elections, the "Reform" group plans to field its candidate in each constituency. If the group is reinforced by 20-25 deputies, it may become a serious political force.

As to the strengthened positions of specific people, here one has to primarily mention Leonid Kravchuk. Cooperation between him and Oleksandr Moroz is gradually beginning to take shape. The ex-president might become a kind of connecting link between the leftists and the rightists. Leonid Kravchuk has a definite influence upon the representatives of the national democratic camp, and primarily upon the "Statehood" group. The URP will never talk about coordinating actions with the Socialist Party of Ukraine [SPU], because of, so to speak, ideological considerations. Kravchuk might serve as a kind of middleman during "separatist" negotiations, when both the leftists and the rightists will need to block some concrete initiative by the president.

Will Kuchma manage to strengthen his lobby in the parliament? It is significant that we are currently witnessing a fierce struggle inside the Presidential Administration. Already, at least two groups have been formed who are fighting each other. This affects the president's image, as well as his political potential, particular since Kuchma's entourage has displayed a lack of qualifications in dealing with a number of questions. The wisest thing would be to form a unified team right after the elections. However, it is also not late to do this now.

In addition, the president will have to take into consideration deputy groups and factions, and to seek support from them. A significant part of the parliamentary corps has supported the presidential initiative on the Law on Power. It is quite natural that the Rukh faction and the "Reform" group expected that their opinions would be taken into account in formation of the government. As far as I know, none of the proposals were taken into account. The only thing that had to be agreed to in the end was the ultimatum to leave Viktor Pynzenyk in the Cabinet. One does not need to repeat: Cardinal changes did not take place in the central executive body, while the new figures virtually do not differ from their predecessors. The representatives of Rukh and "Reform" have a logical question: Did it make sense to contribute to the signing of the Constitutional Agreement? Before, the head of state was claiming that the Supreme Council was hindering the formation of the reformers' team. Who is hindering him now? Provided Leonid Kuchma reconsiders his attitude to deputy groups and factions, truly cooperates with them, and as much as possible takes into consideration their wishes and proposals — it will be possible to avoid a serious conflict between the president and parliament.

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KUN Vows To 'Take Power' With 'Fanatical Dedication'

AU0709150495 Kiev MOLOD UKRAYINY in Ukrainian 5 Sep 95 p 1

[Report by the UNIAN Agency: "Leaders of the Congress of Ukrainian Nationalists Are Convinced That a Ukrainian Nationalist Must Become the Next Ukrainian President"]

[FBIS Translated Text] In her speech at the Second Conference of the Congress of Ukrainian Nationalists [KUN] on 2 September, its leader Slava Stetsko expressed confidence that the nationalists are capable of consolidating and organizing the Ukrainian people in the cause of building the Ukrainian state. In her opinion, the main explanation for the "current predicament in the development of Ukrainian statehood is Ukraine's participation in the neo-colonial CIS."

According to one KUN leader, Serhiy Zhyzhko, the main strategic task of the nationalist movement is to take power. He stressed that he did not mean bureaucratic power, as represented by experts, but the power imbued with the revolutionary spirit, a power that would, within a short period of time, carry out radical changes in all areas of political and economic life.

He believes that a Ukrainian nationalist must become Ukrainian president. Zhyzhko pointed out that, to achieve this goal, the Ukrainian nationalist movement today must focus on the dissemination of the Ukrainian national ideal, the creation and coordination of nationalist structures, the active participation in the social struggle, and the utilization of this struggle as a factor in national liberation.

Zhyzhko also said that the KUN will participate in the forthcoming elections to the Supreme Council as a separate political force. He emphasized that the future deputies group, as well as individual deputies, will be fully subordinated to the KUN leadership.

He pointed out that indoctrination of members of the organization will be in the spirit of heroism and fanatical dedication to the Ukrainian ideal.

In an interview for UNIAN, Mykhaylo Ratushnyy, a Ukraine people's deputy representing KUN, stated that the Second Conference of KUN intends "to unite nationalists on the eve of a hot political autumn and to show that KUN is an organization that is gathering strength."

UNA Threatens Acts of Civil Disobedience

LD0709200495 Moscow ITAR-TASS in English 1930 GMT 7 Sep 95

[By Mikhail Melnik]

[FBIS Transcribed Text] Kiev, September 7 (ITAR-TASS) — The Ukrainian National Assembly (UNA), a radical nationalist organisation, said on Thursday [7 September] that it would not recognise the canceling of its registration as a political party by the Justice Ministry.

"UNA is preparing a number of acts of (civil) disobedience in many regions of Ukraine", one of its leaders, Dmytro Korchinskyy told a news conference.

The ban imposed Wednesday on the nation's largest ultra-nationalist party, automatically outlawed its paramilitary branch, the Ukrainian Popular Self-Defence organisation (UNSO).

Known for their openly anti-Russian stance, UNSO gunmen reportedly took part in the Chechen war on the side of separatists.

Germans Seen Ousting Russians From Television

MK0809105995 Moscow SEGODNYA in Russian 7 Sep 95 p 8

[Report by Viktor Yadukha from Simferopol: "Kiev Has Come Up With a New Version of Why Russian Public Television Is No Longer Broadcast. Now Germany Is Forcing Russia From Ukrainian Television Channels"]

[FBIS Translated Text] For over two months now Russian Public Television [RPT] has not been broadcast on the Ukrainian nationwide television channels. The most widespread version of why the telecast was discontinued is linked to advertising: Local advertising agencies have made a mutually beneficial deal with the Ukrainian government. Under this arrangement, with the RPT switched off, the government will attain ideological sterilization of telecasts and the advertising agencies will receive the long-awaited orders from advertisers who, until recently, were quite happy to have their videos shown on the more popular [Russian] "Ostankino" channel.

According to some well-informed TV viewers, however, there is another reason why Russian television was turned off in Ukraine. On 25 August, at the Kiev Cinema House, Zinoviy Kulik, chairman of the Ukrainian State Committee for Radio and Television, presented his new creation — a newly formed "1+1" private radio and television. Under an agreement signed between the Ukrainian National Television Company and the

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Innova-Film company of Germany, "1+1" will be telecast on the first channel, which has to be made completely free from the RPT. The agreement has been concluded for five years. All this time, TV viewers will be watching "1+1" productions under the brand name of Ukrainian television since, according to Oleksandr Rodnyanskyy, a producer at the new company, "1+1" is not a broadcasting station but a production studio: The air still belongs to the Ukrainian Television and Radio State Committee.

The new studio's production will not be significant either, because the German side has invested in it and has undertaken to maintain four Ukrainian television bureaus abroad, not just for fun, but against an obligation that Western movies and television shows will take a significant portion of air time on the first channel. The same German money is being used to furnish Kiev with equipment to dub these programs into Ukrainian.

Picket lines in Crimea, Kharkov, and Odessa are demanding that the RPT be telecast again. "We do not need Ukrainian television instead of Russian," their posters say. If we look closer, however, people will have to watch not even Ukrainian, but Western television — for German money and in the Ukrainian language.

Crimean Newspapers To Cease Publication 11 Sep

LD0709215695 Moscow ITAR-TASS World Service in Russian 1544 GMT 7 Sep 95

[By ITAR-TASS correspondent Lev Ryabchikov]

[FBIS Translated Text] Simferopol, 7 Sep — Crimean newspapers will cease publication from Monday [11 September]. They are printed at the Tavrida publishing house, whose director, Nikolay Nevzorov, said they were out of photopolymer plates. The Svema production association in Shostka has stopped supplying them. "We were told they will not be making any for two weeks," Nevzorov said. "But it is hard to say what will actually happen. The association has stopped work because Russia has stopped supplying Ukraine with the parts needed to make photopolymer plates."

He also said there was a problem with newsprint. As of today, Russia is supplying it at a price of over 4 million rubles a tonne. No publication in Crimea has that kind of money, he said.

Economic Issues

Government Finds Winter Preparations 'Unsatisfactory'

LD0709194295 Moscow INTERFAX in English 1732 GMT 7 Sep 95

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] The Ukrainian government found the preparation for the upcoming winter unsatisfactory and said that personal responsibility lies with certain ministers and local administration heads, governmental press office told INTERFAX-UKRAINE.

The September 5 government resolution says that the Finance Ministry has failed to fulfill completely government resolutions and Prime Minister Yevheniy Marchuk's executive orders relating to the financing of the preparation for the winter. The ministry must report to the government on how it is fulfilling the task in ten days.

Several other ministries must take measures to ensure that in the second half of 1995 and in January-March of 1996 Ukraine gets natural gas and oil products in the amounts set by intergovernmental agreements.

Necessary amounts of natural gas reserves must be specified within a week. The Finance Ministry must finance the pumping of the gas into underground reservoirs.

Energy and Economics Ministries must introduce provisional quotas for all non-industrial consumers, including those who enjoy preferential treatment.

The Coal Industry Ministry must urgently consider increasing coal supply by mining more and exporting less "in order to lessen the amounts of importing coal products."

Economics and Finance Ministries are to receive calculations of estimated currency reserves for importing fuel and energy resources.

Minister on Privatization of Electric Power

WS0709121495 Kiev INTELNEWS in English 2325 GMT 6 Sep 95

[By Serhiy Sokolovskyy, "Special to INTELNEWS"]

[FBIS Transcribed Text] Kiev, Sept. 6 — Ukraine is going to partially privatize its ailing electric-generation industry in order to attract foreign investment, Energy Minister Oleksiy Shebestov announced Wednesday [6 September].

The official said that Ukraine would transform many of the industry's leading facilities into corporations and sell off about 15 percent of the state's interest.

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The incorporation process will take two years and will not effect power lines and relay points, which will remain under state control.

The minister said that the transformation will be under the jurisdiction of the Energy Ministry and not the State Property Fund, which normally oversees privatization of state enterprises.

"To the day, the biggest problem is not the search for investors but guarantees for them," Shebestov said. "It is important to create the conditions for investments, in the first place for domestic investors."

The state will retain control of 51 percent of shares in the transformed facilities, Shebestov said.

The main goal of the program is to create a wholesale market of electricity where the prices are to be set on the basis of competition between producers. The first step in this direction will be creation of six individual power companies, four based on coal- and oil-fired plants and two based on hydroelectric plants.

Shebestov said the state plans to create a system of 27 electricity- distribution companies to replace the current system of 25 oblast and two municipal state energy committees.

According to the program, existing plants will be modernized and will use new technologies, with possibilities of some private stations being built by independent producers.

The moves to attract outside capital were prompted by Ukraine's daily shortage of 4,000 megawatts of electricity.

Non-payments have created the industry's problems, forcing reductions in power generation, according to Shebestov.

"We need to acknowledge that now we are forced to disconnect areas, and it doesn't matter whether they pay for energy or not," Shebestov said.

Ukraine conserved 1,000 megawatts by disconnecting entire districts. Irpyn, Kiev oblast, Odessa oblast, Cherkasy oblast, Ternopil oblast and some other oblasts are not supplied with electricity for 6 to 8 hours every day, Shebestov said.

"In August we achieved 97 percent payment for electricity, but price freezes for the population led to losses totaling KBV10 trillion every month," Shebestov said.

Further power cuts may be in the works as the government cited that 67 percent of agricultural enterprises and 50 percent of industrial enterprises received electricity nearly for free.

Crimea Unemployment Examined

954F3310A Simferopol KRYMSKAYA PRAVDA in Russian 29 Aug 95 p 2

[Interview with I.A. Ivashchenko, director of the Simferopol Employment Center, by I. Dyakov, under the "Topical Interview" rubric; place and date not given: "Although Work May Not Be an Elusive Wolf, It Could Disappear Into the Woods"]

[FBIS Translated Text] In defiance of the predictions, unemployment in Crimea remains at a relatively low level. According to information of the State Statistics Committee, it amounted at the end of June to 0.14 percent of the total number of the able-bodied population. But to what extent does the real picture correspond to that which is drawn by the official organs? And what kind of changes could take place in the labor market? This was discussed in our conversation with I.A. Ivashchenko, director of the Simferopol Employment Center.

[Dyakov] Ivan Andreyevich, can we rejoice that we are not observing mass layoffs of those working at our enterprises?

[Ivashchenko] The situation is not as simple as it seems at first glance. The heads of enterprises are obligated to inform our center no later than two months beforehand of contemplated worker layoffs, but as of now, we are not getting excessively alarming information. On the other hand, the storm could also burst without warning.

For example, after the privatization of this or that enterprise, its new owners could consider it expedient to reduce the staff of workers and specialists. And indeed, the current owners could conceal their plans for mercantile considerations. When people are dismissed at the administration's initiative, it is obligatory that they be paid their wages three months in advance. But frequently, there is no money for this.

People are not being laid off, nor can they be guaranteed work. They are sent on open-ended leave without pay. They get tired of the uncertainty, and they quit of their own volition. Without monetary compensation, needless to say. The ranks of the unemployed could also grow with the elimination of certain military units.

[Dyakov] According to your information, are many workers having to "go on vacation" against their will?

[Ivashchenko] On the whole in Simferopol, approximately 60 percent of the workers at industrial enterprises are permanently either on enforced leave or are employed at the plant for less than a full work week. Half of the enterprises are resorting to such practice in utilizing their work force. It is difficult to blame the

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economic managers in this; it is in spite of their will that the catastrophic consequences of the economic crisis are developing.

[Dyakov] On what resources do people live who do not have regular work?

[Ivashchenko] Many people find a use for their services during the gathering in of the harvest at kolkhozes and sovkhozes; they trade in the output they have earned and provide for themselves. Our center, by the way, helps them in this. For example, we provide a bus to transport people to seasonal agricultural work. It is a pity that by winter it will be over with, and the social problems in the city could be sharply aggravated.

Lord forbid that the predictions of mass unemployment should start coming to pass. Many people, it is true, are finding work apart from the kolkhozes and sovkhozes. They go get goods abroad and engage in trade. But here, too, during the cold period this activity will begin to decline.

[Dyakov] Do you have any data on this score, even indirect?

[Ivashchenko] The number of those employed in the national economy over the last three years has declined by 32,000 people. This tells us that unofficial employment is flourishing. People are working in some kind of commercial structures without presenting their labor book and the notes therein. Unfortunately, such citizens are not represented when it comes to calculating length of service or observance of labor law. They can lose a great deal in the registration of their pension.

Industrial enterprises could find themselves in a difficult situation. Their cadres are aging, and the young are not falling all over themselves to master a blue-collar profession. In time there will be no one to work at the lathe or on the production line.

[Dyakov] Will your center not be taken unawares by a massive rise in unemployment?

[Ivashchenko] Right now we have 397 unemployed persons registered, and we will be able, of course, to handle finding them employment. And generally speaking, in the city executive committee a commission has been created which, in the event that it becomes necessary, should take over and administer the employment process. It has the right not to authorize administrations for mass worker layoffs.

Our center carefully investigates and records job openings at enterprises. When necessary, we train and retrain those looking for work. For this, there exists a republic retraining center in Simferopol. We pay participants a stipend, and we also transfer money for training and retraining workers and specialists. It is carried out over the course of three to six months on the basis of agreements at vocational training schools, technical schools, and institutions of higher education in more than 30 fields.

At this point, there is sufficient money for these goals. But it is also necessary to save up for the future; one should not live day to day. Meanwhile, spare resources are taken out for various needs, sometimes by the Government of Crimea, sometimes by official Kiev.

[Dyakov] Whom do the ranks of those looking for work represent?

[Ivashchenko] About 6,000 such people are registered with us. There are many workers in culture and sports, and engineers.

Of course, among them are not a few for whom it is difficult independently to find and take a job opening.

Unfortunately, many institutions of higher education and technical schools, especially the commercial ones, chase too hard after a large number of students. They strive to earn more this way, but it is also necessary to take into account the requirements of the national economy. As a result of an overproduction of young specialists, some of them, without ever having gotten an assignment, are swelling the ranks of the unemployed, and turn to our center for help.

The city executive committee has treated the needs of our organization with understanding, and has allocated premises for it in the center of town. We outfitted them with computers, and worked out a number of highly effective programs for the rapid solution of tasks associated with job placement of the population. The population's needs and misfortunes are bespoken by the fact that in the first half of the year, 32,681 people appealed to the center for help. It appears that in the second half of the year there will be more....

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Belarus

Details of Belarusian-Latvian Trade Agreements

LD0709175195 Moscow INTERFAX in English 1536 GMT 7 Sep 95

[FBIS Transcribed Text] Minsk, Sept 7 (INTERFAX-WEST) — Belarus and Latvia signed agreements on the prevention of dual taxation, air communications and border representatives in Minsk Thursday [7 September]. This was disclosed by Prime-Minister Mikhail Chyhir at a news conference at the end of the two day visit by the Latvian head of cabinet Maris Gailis.

According to Chyhir, Belarus is interested in Latvian train cars, sea products and grain for distilleries. His Latvian counterpart voiced Latvia's interest in Belarusian tractors, other farm machinery, veterinary preparations and tyres.

Chyhir described the speed of expansion of bilateral trade and economic relations as intensive. During the first six months of the year Belarusian exports to Latvia totalled $30.5 million and imports 24.5 million which places Belarus in sixth place among Latvian trade partners.

Gailis assured Belarus that Latvia is ready to offer all conditions for its reliable exports and imports through port Ventspils. Chyhir described the terms of the use of the port as favorable and said his cabinet would seriously study the matter in the nearest future.

The prime-ministers announced that during the talks they discussed the possibility of building a paper and pulp plant on their common border and the involvement of Latvia in corporatizing Novopolotsk oil refinery.

More on Latvian Prime Minister's Visit

WS0809075595 Minsk BELAPAN in English 0655 GMT 8 Sep 95

[FBIS Transcribed Text] Three important documents were signed during the visit of the head of the Latvian government Maris Gailis. They are: the agreement on avoiding double taxation, on frontier commissioners, and on air space. All these agreements will facilitate the relationship between the two countries. Mr. Gailis's negotiations with Belarusian Prime Minister Mikhail Chyhir were conducted so successfully that the parties desired to create another document — a treaty on mutual protection of investments. However, the parties found out that extra work is necessary, so they decided to postpone the procedure. According to the head of the Latvian Government, the treaty will be signed by the end of the year. The prospects of the Belarusian-Latvian relations seem to be favorable. Mr. Chyhir's words that the trade turnover between the two countries will become twice as large. However, all possibilities should be used so that it would come true. But they are not enough. For example, the Belarusian prime minister expressed his bewilderment why heads of Belarusian enterprises do not use the Belarusian Trade House in Riga and the permanent exhibition of Belarusian goods while the enterprises' warehouses are overloaded and the Latvian market can admit much. Special attention at the negotiations was paid to the problem of using the sea port of Ventspils. At this port, Belarusian goods can be transferred to many countries including Brazil mentioned at the press conference. It is worth noting that potash fertilizers were mentioned as such goods. With this respect, it became clear why Mr. Gailis visited Salihorsk. The Latvian premier tried to persuade the leadership of the "Belaruskaliy" group that they should use Ventspils sea port in the export of their products. In this case, the Latvian party will also gain profits due to considerable payment of the rent. It is difficult to say for sure what decision the Belarusian Government will take in this situation. The possibility of using Klaipeda and Gdansk ports exists. Everything should be considered with this respect. As Minister of Foreign Economic Relations Mikhail Marynich noted, "Belarus and Latvia are neighbors. We have many common interests which exceed Ventspils alone. We can and should use the possibilities of Riga. Latvians may use our territory to transit their cargo from other regions." The head of the Latvian Government met with Belarusian businessmen and answered their questions. He saw the building of a former kindergarten in Darashevicha street which will be reconstructed for the Latvian Embassy. Before the departure, the Latvian premier was received by President Lukashenka.

Anti-Nuclear Protesters Block Entrance to French Embassy

LD0709174095 Moscow INTERFAX in English 1634 GMT 7 Sep 95

[FBIS Transcribed Text] Minsk, Sept 7 (INTERFAX-WEST) — Anti-nuclear protesters from Belarus, Belgium, Canada, Germany, the Netherlands and the U.S.A. blocked the entrance to the French embassy in Minsk with chains and locks Thursday [7 September] in protest against the French nuclear tests in the Mururoa atoll.

The protesters said that they were closing the embassy down because the French governments had lost the trust of the world community. A total of 40 men and women took part in the action.

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Lukashenka on Market Socialism, Ownership

MM0709124595 Moscow PRAVDA in Russian 6 Sep 95 p 2

[Report by Oleg Stepanenko: "Lukashenka Chooses Socialism"]

[FBIS Translated Text] Minsk — What kind of society do we want to build? This question, which unquestionably concerns everyone, has been answered by Alyaksandr Lukashenka. Addressing the celebrations of the 155th anniversary of the Belarus Agricultural Academy — of which he is a graduate, by the way — the president said:

"As I stand here within the walls of my alma mater today I do not want to avoid answering that question or to resort to trickery by saying — neither capitalism, communism, nor socialism. I state bluntly, even though some may not like it: We want to build a society with a high level of social protection for people and a high material and moral incentive to work, a society without shortages and waiting lines. A society where the law of the market works not in a random way but on a scale which ensures efficient production and distribution. In other words, I am speaking plainly about a society of market socialism. It is not our intention here to mechanically adapt other people's socialist models. Our society has its own history, traditions, and vision of the future. That is what we are choosing."

The specific features of the "market socialist" society cited by Alyaksandr Lukashenka are interesting. In the rural economy, for example, it is not proposed to split big farms into small units in the course of the enshrinement in law of all existing forms of land ownership. There is another factor to bear in mind here. Belarus has not introduced private land ownership to commercial agricultural production, only to small-scale truck farms and private plots, which means effectively a form of private property which does not lead to the outright exploitation of others. "I shall never allow any official, no matter what his rank," the president noted, "or even a scientist, to interfere with the present-day structure and system of operation of commodity producers in the agro-industrial complex and create new types of farms there. This question must be resolved by the peasants themselves and their leaders. They want the collective farm? Let them have it. The state farm? Let them have that. Private farms? Let them have them. If they decide to divide the land into plots and run it that way — so be it."

In the financial and banking sphere he noted the need to eliminate the absurd situation in which "the bulk of the population is virtually living in poverty, yet 5-10 percent of people today do not know what to do with their money."

Lukashenka stated that in the sphere of education, and he was talking about rural youth, he will do everything to ensure that no talent, be it in literature, science, engineering, or state affairs, which starts out in the heart of the countryside will be wasted, still less trampled underfoot. "Incidentally," he noted, "that was why the president worked to provide equal opportunities for all secondary school graduates to obtain higher education and to ensure that people competed on the basis of their talent, not the contents of their parents' wallet. This really displeased certain ladies and gentlemen. How they railed against this measure which was utterly reasonable from the viewpoint of social justice! It really cut them to the quick, you see: It means that university entrants will not just be the representatives of the elite but also the children of milkmaids who, in the opinion of the 'democratic' nobility, should serve the new masters forever, from one generation to the next, like draught animals. I state once again: This will not happen on our country's territory."

After condemning the policy of the destruction of hothouse farms, Lukashenka added: "We today have no right to destroy all the things created in the quote 'bad' 'imperial' days, the quote 'communist' days, and the quote 'Soviet' days. I say again, we must not go back to the late 19th century."

Yet that is precisely where the republic is rapidly being led by the policy of destroying the socialist economy and taking the market road. It is not only production which is marked by a slide into the abyss but the social sphere too — schools, hospitals, kindergartens, consumer centers, and canteens are being closed down. The president mentioned all those things.

Of course, the Belarusian president's revelations also prompt questions. For example, is it possible to ensure even a tolerable level of social justice under "market socialism" when an individual is assessed, irrespective of the president's wishes and edicts, not according to his labor but his capital? Furthermore, is a socialism with private ownership which engenders exploitation and inequality really socialism?

But in any event it is noteworthy that socialism has been named at the top presidential level as society's main guideline and goal. A system which has been consigned to the grave many times by the "democrats" and the new rulers of the former USSR republics. Indeed, the "democratic" reactionaries cannot stop the wheel of history which they are trying to reverse contrary to the people's will.

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Lukashenka Spokesman Presents Views to Deputies

WS0709113595 Minsk Radio Minsk Network in Belarusian 1000 GMT 7 Sep 95

[FBIS Translated Text] [words indistinct] the twelfth session of the Supreme Soviet. Deputies are discussing laws; some of the laws are being adopted, others are being redrafted.

At the beginning of today's morning session, the Supreme Soviet chairman gave the floor to Presidential Administration head Leanid Sinitsyn, who presented the president's viewpoint about the work of the session to the deputies. In particular, Leanid Sinitsyn stated that the president and the Supreme Soviet agreed earlier that the Supreme Soviet will hold sessions only in emergency cases. The Presidential Administration head informed the deputies about another presidential opinion on their activities. He also stressed that Alyaksandr Lukashenka agrees to meet with the deputies, however, outside of the Supreme Soviet. Supreme Soviet Chairman Mechyslaw Hryb did not agree with this. Later, a Supreme Soviet commission was set up to draft a special Supreme Soviet political statement.

Parliament: Lukashenka Causing Political Confrontation

LD0709194695 Moscow INTERFAX in English 1805 GMT 7 Sep 95

[FBIS Transcribed Text] Minsk, Sept 7 (INTERFAX) — The Belarusian parliament accused President Alyaksandr Lukashenka and the government of stirring up a political confrontation between the executive and legislative branches. Parliament demanded that the president and government respect the Constitution and legislation.

A statement passed Thursday emphasizes that the political confrontation is evolving against a backdrop of a deteriorating economic situation and economic conflict.

Parliament described the unwillingness of the government to report on the execution of the 1995 budget as extreme contempt of the supreme legislative body.

The prime minister and finance minister who were invited to parliament to present a report did not arrive and offered no excuses.

The parliament statement also says that since August 1994 the president has issued dozens of decrees that are inconsistent with the Constitution and legislation and that infringe on the political and economic rights of millions of citizens. Parliament emphasized that the population is deprived in this way of the possibility to supervise the activities of the executive authorities.

"The Supreme Soviet is greatly concerned about this development and demands that the president, like any other official, abide by the Constitution and legislation," the statement says.

Parliament insists that the only acceptable way for the legislative and executive authorities to get along is through a dialog of equals and joint search for solutions within the legal and constitutional framework.

MPs Voice Concern at Political Situation

LD0709175795 Moscow INTERFAX in English 1536 GMT 7 Sep 95

[FBIS Transcribed Text] Minsk, Sept 7 (INTERFAX-WEST) — Belarusian MPs will issue a statement which will reflect their concern over the political situation in the country.

They made this decision at the Supreme Soviet session Thursday.

Supreme Soviet Chairman Mechyslaw Hryb told parliament that the power sharing system in Belarus collapsed when the legislation and Constitution were violated.

In his words, the president usurped the legislative functions when he suspended certain pieces of legislation.

Hryb recalled that the president unilaterally changed the 1995 national budget act and suspended legislation on the status of MPs and local legislators and on the trade union activities.

Leonid Sinitsyn, the president's chief of staff, told parliament that President Alyaksandr Lukashenka is surprised by the posture assumed by Hryb. According to Sinitsyn, the two men had earlier worked out a common position.

Sinitsyn explained that the president will largely abide by the concept of the budgetary policy. Sinitsyn said that Lukashenka is prepared to meet the MPs outside their session. Lukashenka disagrees with parliamentary amendments to the election legislation under which elections will be valid provided that 25 percent rather than a previous 50 percent of voters arrive at the polling station.

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Moldova

Dniester Region Economic Crisis Reviewed

954F3348A Moscow SEGODNYA in Russian 26 Aug 95 p 4

[Article by Yuriy Borisov under the rubric "Perspectives": "Dniester Region at the Crossroads: Economic Crisis Aggravates Political Struggle in Tiraspol"]

[FBIS Translated Text] Tiraspol-Odessa—Long lines in the bread stores are a sign of the present times in the capital of the PMR [Dniester Moldovan Republic]. The bread for sale at the state price (1,000 Dniester rubles or about 70 Russian rubles) is immediately snatched up by the consumers, among whom there are many citizens of right-bank Moldova and the neighboring Ukraine. In the regions next to the Dniester region the population have not been pampered with such a remnant of socialism as fixed prices for the basic food products. Therefore food parties regularly come to Tiraspol from there. But it seems that this will be stopped soon. Effective 24 August the capital of the PMR and then other cities will introduce the so-called "assigned distribution" of bread, the essence of which is guaranteed issuance of 0.5 kg of this product to each resident at miserly state rates. Such an experiment has already been conducted in the right-bank city of Bendery, where they actually managed to stem the tide of pent-up demand for bread products.

The people in Tiraspol are not inclined to consider normed distribution of bread to be the optimal solution to the food problem. Some think that in its present position the republic has no choice. Here they observe that the fact that the Dniester region has no state-legal status has a fatal effect on its economic relations with other regions of the former Union. Yet the Dniester region is the industrial part of Moldova, which has always been oriented toward the Union market, above all the military-industrial market, and it simply cannot exist without it. The condition of actual political-economic isolation in which the Dniester region finds itself paralyzes industry here, which is rapidly reducing production rates. And this, in turn, causes almost insurmountable difficulties in the energy and agrarian sectors.

The Dniester region has practically no energy sources of its own. And this region has traditionally been an importer of grain. Today, because of the lack of funds to purchase either the one or the other, the PMR is faced with the prospect of a full-scale energy and food crisis. The situation is exacerbated also by the fact that Chisinau, which considers the Dniester region to be a part of its territory, is nonetheless in no hurry to share with it even a small portion of the 700 million in credit that was granted by the international community to Moldova.

Crisis phenomena are being felt in the sociopolitical sphere, where criticism of the PMR leaders from left-wing radical positions continues to grow. Orthodox communists, who make up almost the majority in the Dniester parliament, a couple of days ago demanded the ouster of the chairman of the PMR Supreme Council, Grigoriy Marakutsy, who, in their opinion, is in charge of subversive work to dismantle socialism and restore capitalism in the Dniester region. Local left-wingers, headed by the fairly well-known rector of the Dniester State-Corporative University, Vasiliy Yakovlev, are categorically against all forms of privatization and development of new types of ownership, and they are also against foreign exchange and financial rapprochement with Moldova. It should be noted that the ideological tenets of the left are finding increasing sympathy among the main masses of the population, as is shown by the results of the recent elections to local organs of power. On the threshold of the elections to the Supreme Council, which are scheduled for autumn, the Dniester leaders have been forced to take these attitudes into account and make adjustments to their policy, which is expressed in an even greater retardation of the barely started economic transformations.

In the opinion of analysts, this game of giveaway with orthodox left-wingers could in the near future transform the Dniester region from a mythical preserve for communism to a quite real one. PMR President Igor Smirnov in a conversation with a SEGODNYA correspondent said that he linked all his hopes for a bright future for the republic to the common sense of simple people of the Dniester region who, in his words, should not let themselves be deceived by professional defenders of the people with their demagogic promises. Whether or not this optimism on the president's part is justified will become clear in the near future.

On 24 August the Coordination Council for Public Movements in Defense of the PMR (which unites left-wing radical political forces) announced its decision to convene on 6 September in Tiraspol a congress of people's deputies of the Dniester region from all levels, during which it is expected that an attempt will be made to declare the actions of the official authorities of the PMR for liberalization of the economy and normalization of relations with Moldova to be illegal. According to the assessments of specialists, such intentions on the part of the Dniester region left wing suit President of Moldova Mircea Snegur, who is now faced with an extremely difficult dilemma—at the forthcoming 13 September meeting with Igor Smirnov, either to sign the memorandum on recognition of the

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statehood of the PMR within the framework of Moldova (the text of which has been approved by Russia and the OSCE) or to find a good pretext for rejecting this document. It cannot be ruled out that the congress of Dniester region radicals will also make precisely the decisions that will suit official Chisinau.

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Kazakhstan

Report on Recent Visit of Pakistani Prime Minister

MM0709133295 Moscow PRAVDA in Russian 6 Sep 95 p 7

[Report by Tleuzhan Yesilbayev: "Thirty Joint Ventures — That Is Just the Beginning. Kazakhstan Building Bridges With Pakistan"]

[FBIS Translated Text] Almaty — The results of the recent first official visit by Pakistani Prime Minister Benazir Bhutto to Kazakhstan are aimed at reaching a common understanding that the development of relations between the two countries will help to strengthen peace and cooperation regionally and globally.

The Kazakhstanis' interest in Pakistan is no surprise. That Asian state's economy is on the road to recovery. For the third year in a row it has achieved a growth rate of around 6 percent.

Kazakhstan and Pakistan have long-standing ties. They are most fruitful in the economic sphere. For example, five major Pakistani companies are already officially represented in Kazakhstan and over 30 joint ventures have been registered. Their activity is mainly focused on agricultural produce processing, consumer goods production, tourism, construction, and brokerage. Trade is also developing. In the first six months of this year trade turnover was $1.6 million.

Kazakhstan and Pakistan intend to do everything to help strengthen peace and stability on the Asian continent and in the world as a whole. The document [unspecified] particularly highlights the importance of the preparation of a conference on collaboration and confidence-building measures in Asia as well as cooperation in the maintenance of peace, disarmament, and the nonproliferation of nuclear weapons on the Asian continent.

A number of other important documents were signed at the end of Benazir Bhutto's visit to Almaty. They include a treaty on mutual assistance on civil, family, and criminal matters and an agreement on reciprocal visits by citizens.

Body Formed For Dealings With CIS States

954F3346A Almaty KAZAKHSTANSKAYA PRAVDA in Russian 1 Sep 95 p 3

[Interview with Kalyk Abdullayev, chairman of the State Committee of the Republic of Kazakhstan for Cooperation With CIS Countries, by Dinara Shugabayeva; place and date not given: "'Time Will Make Us Allies'"]

[FBIS Translated Text] The cabinet system has been reinforced by one further structure. Specifically, the State Committee of the Republic of Kazakhstan for Cooperation With CIS Countries, which is authorized to examine the entire set of issues concerning the situation in the so-called near abroad, has been formed. Details of this new body are shared with KAZAKHSTANSKAYA PRAVDA by its chairman Kalyk Abdullayev.

[Shugabayeva] Kalyk Abdullayevich, does the formation of the committee you head mean that a once amorphous association like the CIS has finally acquired flesh and blood and that there is an immense amount of work to be done in it?

[Abdullayev] In answering the question it has to be acknowledged that the CIS has made a big leap forward in its development and that the contours of the association themselves are emerging more distinctly. This applies particularly to the processes of integration of the Commonwealth states in the political, economic, and military spheres and in scientific and technological and humanitarian cooperation. In many areas in which only yesterday there were appreciable disagreements among the parties, today a pronounced convergence of positions may be observed. The fact that the majority of CIS countries have come to understand the need for the solution of questions of cooperation in civilized manner, with regard to the current realities in each of them, has contributed to this to a large extent. And the key to the puzzle, incidentally, lay in the study and implementation of the corresponding analysis of one another's economic and political development, the timely and correct determination of the strategy and priorities of cooperation, and the formulation of acceptable decisions. These and other vital problems of the CIS are today being handled by the more than 40 bodies that have been created within its framework and which include leaders and specialists of the governments and ministries and departments of each state. It has to be said that they have performed a great deal of work on the conclusion of multilateral treaties and agreements, of which there are already over 400. Thus the successful operation of supranational bodies regulating the action of numerous treaties and agreements, in which commitments of our state also figure, incidentally, has become possible. Current realities required a fundamentally new approach to the organization of work in the sphere of cooperation with states of the CIS—the concentration of all aspects of this problem in such a specialized body as our committee.

One further factor of considerable importance which prompted the national leadership to form our committee was the positive example of Russia, which, having had a Ministry for Cooperation since the first days of the formation of the CIS, has made noticeable progress.

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[Shugabayeva] Some of the functions entrusted to your committee coincide with the work being performed by the Ministry of Foreign Affairs. Are you not duplicating one another, and if not, how have you delineated your spheres of activity?

[Abdullayev] Truly, many of the functions of the Ministry of Foreign Affairs and our committee come into close contact with each other. But a divide has been clearly drawn between us. Thus whereas the mission of the Foreign Ministry incorporates determination of the foreign policy aspects of cooperation, we devise in conjunction with other ministries on the basis of the official policy established by the president of the country the specific directions and actual mechanisms of implementation of the planned cooperation. In a word, our prerogative is the utmost promotion of integration processes and the restoration of economic ties.

[Shugabayeva] Your department is also entrusted with negotiations with delegations from Commonwealth countries and the signing in accordance with the results of the meetings of various international treaties, and your employees are entitled, in addition, to diplomatic rank.

[Abdullayev] Quite correct. The specifics of our work are similar to diplomatic activity. These similarities are revealed in interaction with the CIS Executive Secretariat, the Interstate Economic Committee, and governments and other state authorities of the Commonwealth countries and also in the presentation to the government of proposals concerning the conclusion of treaties and agreements. I would emphasize particularly that we will perform this work in close contact with the Ministry of Foreign Affairs.

[Shugabayeva] What can you say as the leader of your team, which was formed in very curious fashion—by way of a reduction in force in other ministries and departments?

[Abdullayev] I have to confess that I ran into certain difficulties when selecting the team. This is understandable since the problem itself—the cooperation of the CIS countries—is largely a new one for us. The staff is only half-filled as yet, and it includes specialists with experience of work in the confidential sphere and also with scholarly studies of integration ideas relative to the post-Soviet territory.

As far as the formation of our committee thanks to a cutback in people in other ministries is concerned, I was opposed to this from the outset. I am firmly convinced that there should in each ministry, practically, be specialists in the field of cooperation with the CIS countries in order that this association be assigned a fitting place in their activity. Can the Ministry of Economics, for example, compile a long-term program of the republic's development while not knowing how integration processes with the Commonwealth countries will proceed?

That is, however strong our committee, it cannot and should not substitute for the ministries. I personally see it as the role of my department to establish precise interdepartmental interaction in the sphere within my stewardship.

I would note also that the committee is the first structure that works with the leadership of the government directly, without an intermediate component, and, availing myself of the occasion, I would like to express my opinion about the Cabinet of Ministers in future not having functional departments. There is room there only for highly skilled advisers and consultants in the most important areas, and it is essential to transfer the center of gravity of all work on the formulation of decisions and their realization to the ministries, which would enhance their responsibility, come to that. I believe that many would agree with me that under the present conditions certain ministries have been unable as yet to define their place and have practically dropped out of the system of management of the economy.

[Shugabayeva] What, in your view, is needed first and foremost for the CIS mechanism to operate at full strength?

[Abdullayev] First, all the supranational bodies that have been formed must become operationally capable for this. What I mean here is that it is essential to ensure the strong development of a fundamental aspect of cooperation—multilateral relations.

Second, it is essential to achieve the harmonization of the bodies of legislation of the Commonwealth countries in all spheres of life sustenance. Differences in laws proceed, generally, from a different understanding of the essence of economic reforms. Whence has arisen the difference in the rate of progress toward the common goal—the market—also.

[Shugabayeva] I have heard the following assessment of relations with Russia: The supreme-power country intends to give bilateral relations within the CIS priority inasmuch as the inequality will then permit it to easily dictate its terms.

What is your opinion on this score?

[Abdullayev] I totally disagree with this assessment inasmuch as it fails to reflect the objective picture. Had Russia not desired it, we would not have achieved the present level of cooperation of the countries in the

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Commonwealth. And it is time all of us understood one truth. History, fate, if you will, has taken shape such that Russia for many years occupied the leading place on a once common vast territory, and for this reason, naturally, this state still accounts for the lion's share of Kazakhstan's commodity turnover in total exports and imports with the countries of the former USSR. The picture in other countries of the CIS also is similar or close to this. That is, everyone has an enormous interest in integration with Russia, which, in turn, is demonstrating its desire to cooperate with us.

[Shugabayeva] Do you consider equal cooperation with Russia within the framework of the CIS possible?

[Abdullayev] Yes, as I have already said, we will build relations with Russia, guided by the principles of equality and, I emphasize particularly, mutual benefit. Unfortunately, an extended systemic analysis of the socioeconomic situation unfolding in this state is not being undertaken here for a number of reasons. Yet it is changing there so rapidly for the better: The upturn in the most important sectors of the economy is of a stable nature, and strong banks and financial institutions with a good international image are functioning steadily. A further notable feature of the situation is that a number of laws have been issued and conditions created which permit the commencement of a process of the return to the country of a substantial part of the capital which was formerly sent overseas and settled there. I will say plainly that surplus capital will be concentrated in quite large amounts in Russia in the very near future and that we will need to try to attract it here as much as possible. The participation of Russian investments in the economy of Kazakhstan would be the basis of an intensification of the neighborly relations of our state and testimony to the openness of our economy to contacts with both East and West.

[Shugabayeva] Could you say when interstate clearing will occur within the framework of the CIS?

[Abdullayev] We are working on debt restructuring at this time. The point being that it is essential to distinguish between two types of clearing: for debts of the state and of economic agents. If the debts were not backed by obligations of the state, liability for them should be borne by the economic agents.

As far as the public debt of Kazakhstan and Russia is concerned, our governments agreed back in January of this year to reject claims against each other: on our side, in terms of compensation for the losses connected with operation of the Baykonur complex in the period 1991-1993, on the Russian side, in terms of the debts and credit to Kazakhstan in the period 1991-1994.

[Shugabayeva] Will the CIS ever grow into the EAS [Eurasian Union], in your opinion?

[Abdullayev] I see the future commonwealth or union via the strengthening of the supranational structures of the CIS that have already been created and the interpenetration of capital and products. The main purpose of the EAS is transition to a new level of integration which would guarantee the observance by all participants of the adopted commitments. It should be borne in mind that the idea of the formation of the EAS is of a long-term nature and is combined with the activity of the CIS. For example, on the basis of the Interstate Economic Committee and the Executive Committee of the CIS, an executive body of the EAS is to appear. The current CIS Interparliamentary Assembly is, evidently, a prototype of the legislative body of the Eurasian Union. That the interests of different states may be combined in this way is eloquently shown by Europe's integration experience. The times should necessarily make us not simply friendly states but allies.

Nazarbayev Issues Decree on New Constitution

LD0809061495 Moscow Mayak Radio Network in Russian 0430 GMT 8 Sep 95

[FBIS Translated Text] Kazakhstan President Nursultan Nazarbayev has decreed that the country's new constitution should go into force. The new constitution secures presidential forms of rule in the republic, recognizes the right to private ownership of the land as well as state ownership of the land, and provides for the creation of a professional bicameral parliament.

Final Results of Referendum Vote

954F3356A Almaty EKSPRESS-K in Russian 5 Sep 95 p 1

[Report by Larisa Chernenko: "Central Electoral Commission Chairman Is Not Against a Family Team—Where a Husband Can Cast a Ballot for His Wife and Children, or Vice Versa"]

[FBIS Translated Text] Yuriy Kim, chairman of the Central Electoral Commission [CEC] of the Republic of Kazakhstan [RK] yesterday reported to journalists the final results of the referendum based on the protocols from the territorial electoral commissions. It follows from them that 8,091,715 persons took part in the referendum, which comprises of 90.58 percent of all eligible voters. Of them, 7,212,773 persons voted for the adoption of the new constitution (89.14 percent of the ballots cast), 800,839 persons (9.9 percent) voted against, and 78,103 ballots were found to be invalid.

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According to Yu. Kim, these figures are evidence of our citizens' high degree of political activism. The new constitution guarantees us a strong presidential authority, a constructive parliament, and a clear separation between the legislative, executive, and judicial branches. The referendum also emphasized once again the president's desire to deal with socioeconomic problems democratically. The referendum results permit one to draw a conclusion that despite certain difficulties, the majority of the population still has confidence in the president and believes in the success of the transformations.

Directly on the subject of the organization of the referendum, the following figures were given. A total of 10,559 electoral commissions had been set up in the republic, with 86,425 persons working on them. In addition, a lot of people worked as volunteers on public committees. The referendum was monitored by representatives from nine countries: Ukraine, Tajikistan, Romania, Poland, Egypt, Hungary, Canada, and others. Public associations were extensively represented: They submitted 1,032 applications, on which 928 authorizations were issued. Communist Party representatives comprised the greatest share of volunteers—318 persons; trade unions fielded 149 persons, the Slavic movement Lad—86, the veterans council—68, the Popular Congress of Kazakhstan party— eight, the Azat civic movement—28, and the Socialist Party—six. Thus, observers from 19 public association watched the referendum.

According to the CEC chairman, most observers—both domestic and foreign—had high praise for the referendum's organization. Naturally there was also some discontent, on the part of both public organizations and voters. The CEC received 27 claims and complaints, among which are some from Communist Party and workers movement representatives—their representatives were refused accreditation. The review showed that the Almaty city electoral commission was absolutely correct in revoking accreditation, since there had been some violations on the part of these representatives. There were complaints regarding delays in ballot delivery and bringing ballot boxes home to people who for some reason could not come to the election precinct.

In conclusion Yuriy Kim said that the referendum was valid in all regions without exception, the new constitution has been adopted, and we will now live and work the new way. The commission now has experience in holding referendums, and quite possibly the new legislation—in meeting the electorate's wishes, so to say—will make a provision for a family vote, whereby a husband can cast a ballot for his wife and children, and vice versa.

Post-Referendum Shuffling Possibility Seen

954F3339A Almaty DOZHIVEM DO PONEDELNIKA in Russian 1 Sep 95 No 33, p 4

[Article by Grigoriy Azov: "Post-Referendum Personnel Castling"]

[FBIS Translated Text] Few people doubt today that the lull in the rotation of government personnel which set in following the spring legitimization of the Cabinet of Ministers and a number of appointments with a view to the long term (I. Tasmagambetov, V. Khrapunov) is an exclusively temporary phenomenon explained by the strategic complexity of the present "crossing"—in circumvention of presidential elections and parliamentary discussion of the constitution.

Is a Change of Premier Possible?

Meticulous observers expect this fall even personnel castling, for which President Nazarbayev has always been famous: This is done suddenly, without the fanfare typical of Russia and certain developed Western countries, without a washing of dirty linen in public, quickly, with surgical precision, and almost painlessly for the public. The painfulness inevitably experienced by the target of the castling for demotion results, perhaps, only in tears invisible to the world, although it could subsequently be partially compensated by inscrutable career upturns (K. Abdullayev).

Who on this occasion will be the No. 1 figure in the personnel maneuvers? The opinions of experts vary here. Many believe that the replacement of the head of the government—Akezhan Kazhegeldin, who, it is rumored, has already tendered his resignation, not so much from any considerations of principle, what is more, as on account of his far from brilliant state of health—is perfectly probable. The onerous post of premier demands of its holder not simply endurance but even a certain thickness of skin, which the emotional Kazhegeldin manifestly lacks.

Nonetheless, the bold versions of a change of premier and a cardinal personnel renewal of the cabinet would appear today to be more a flight of political science fantasy than the result of a sound calculation of the alternatives. Regardless of the exclusively personal relationship of the head of the government and the head of state, which could develop per the pendulum principle, Nursultan Nazarbayev is quite cautious and circumspect in his "dealings" with the top echelon of the cabinet, especially its key figure. We may recall the unexpected longevity of Akezhan Magzhanovich's predecessor in this office. Sergey Tereshchenko's noisy resignation had been predicted as of 1993, when the

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situation in the economy was truly unmanageable, but the previous team had to demonstrate its inefficiency more than eloquently for Nazarbayev to demand of it an unprecedented official "self-abnegation."

In any event, a change of premier—essentially the main helmsman of the economic reforms (the president, who has distanced himself from the government, may hardly now be seen as the direct "helmsman" inasmuch as he controls not only the fate of the economy but of the entire state)—is an important **political** action, which Nazarbayev can take only in a situation which is most propitious for this, when a noisy resignation becomes a "trump card" and makes it possible for the leader of the country to amass extra points. The time is clearly not yet ripe for Kazhegeldin's departure.

His team enjoys considerable support among Western creditors, who consider Kazakhstan's reforms quite decisive and consistent. His team opportunely transferred a number of the most important enterprises to foreign management, ensuring not only an appreciable economic but also noisy political effect on the eve of the adoption of the new constitution. His team has reduced inflation to a level below that of Russia and created a situation in the economy if not better, in any event more predictable. Even the indicative plans being prepared at this time for five years ahead no longer seem unscientific fantasy. Compare this with the situation of the spring of last year, when all the expert forecasts in terms of the most important macroeconomic indicators—from the level of inflation through the value of the tenge—were found by divination from coffee grounds.

Nor is a worthy candidate in the "immediate reserve" for the premiership to be seen as yet. The abundance of conjecture expressed both in government official and in journalist circles (various names from Akhmetzhan Yesimov to Viktor Khrapunov are being cited) testifies only to one thing: The "immediate reserve" is as yet only in preparation and has not ripened "up to the mark." Yet the substitution should be at least equivalent inasmuch as the new government team (today's team will, most likely, constitute its backbone) will inevitably come in on a wave of criticism—intended to improve the situation by continuing the former reform strategy, but introducing greater efficiency and decisiveness in tactics.

There is cause for criticism: The degradation of production continues, the approaches to bankruptcy and the financial administration of the enterprises are only just being mapped out, social policy is, as before, one of the weakest components, and the situation in the countryside looks grim, despite the triumphal march of privatization, which is largely of a sham nature.

The Age Qualifications Promise 'Defense' Changes

There is a clause in the new constitution establishing an age limit for public servants: their age must not exceed 60, in exceptional cases, 65. Inasmuch as nothing is said about exceptions for those 70 and older, we may with 100 percent probability talk about the speedy retirement of Defense Minister Sagadat Nurmagambetov, who turned 72 this May.

Sagadat Kozhakhmetovich's career initially developed in the traditional way: officer cadet at a military school, participant in the Great Patriotic, student at the Military Academy, regimental commander, divisional chief of staff, leader of Kazakhstan's civil defense system, for 10 years—through the end of the 1970's—deputy commander of the Central Asian Military District, and, finally, a further decade—through the end of the 1980's—first deputy commander of the Southern Group of Forces in Hungary.

In 1989 the 65-year-old Sagadat Nurmagambetov retired, was a year later elected to the Supreme Soviet, and became head of the parliamentary Committee for the Affairs of Veterans, the Handicapped, and Servicemen. But the changing political situation had prepared an abrupt new upturn in the biography of the front-line fighter and hero of the Soviet Union. In 1991 he was appointed chairman of the State Committee for Defense, and in 1992 a republic Ministry of Defense was created, and Sagadat Kozhakhmetovich became minister.

The period of his leadership of the ministry can hardly be called successful, the reason for which being, though, not so much this subjective factor or the other as objective difficulties: Kazakhstan's defense complex was a "fragment" of the Union complex, and to make it into something independent and self-sufficient in a situation of economic crisis, the meagerness of budget resources, and the high migration of the officer corps was impossible in principle. The republic's military doctrine, which surprisingly declared that Kazakhstan would not be the first to use nuclear weapons, and this after our accession to the Lisbon Protocol and virtual "renunciation" of title to the nuclear arsenal on the territory of Kazakhstan, appeared quite archaic.

Alternative and contract service in the republic never did acquire legislative enshrinement: A number of specialists of the Strategic Studies Institute worked actively in this area, but the leadership of the Ministry of Defense was categorically opposed. Yet general military service was in practice assuming odd forms: Some parents contrived, for all that, to protect their children from unprestigious and risky service (on account of the inadequate feeding and the hazing), others addressed angry complaints to the authorities, and the "children"

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themselves took to their heels in the thousands. Even the law "Status and Social Protection of Servicemen and Their Families," which was adopted at the start of 1993, did not work clearly—it had to "decoded" by a number of legislative acts, but the majority of them were not adopted.

Reports began simultaneously to make their way into the press concerning serious financial malfeasance in our military system: Inspections by the Ministry of Finance and the State Committee for Financial Control turned up the more than casual use of hundreds of millions of budgetary tenge, which were being actively put to work at various commercial and brokerage structures and which had at times disappeared without trace even. The publications on this topic elicited no objections on the part of the ministry, although inspectors' findings are not, as we know, a judgment.

Nor did the scandal connected with the sale of weapons, alleged to be illegal, which was undertaken with the knowledge of a deputy minister contribute to the ministry's authority. In a word, the new minister will inherit a very disturbing legacy and a mass of unresolved problems..

The other members of the government are comparatively young, and the constitutional age limit for them is still far off. True, Daulet Sembayev, chairman of the National Bank, will be 60 this year. Considering the relatively strained relationship between the National Bank and the government, some experts maintain that there will be changes in the leadership of the former. The well-known business involving the counterfeit National Bank guarantees, on which the signatures of its leaders, Daulet Khamitovich included, figured, could be the direct pretext for this. True, initially it was said firmly that these signatures had been skillfully forged. Subsequently contradictory information was leaked from the investigating authorities: Not all had been forged, but how there could be signatures of high officials in their own hand on forged documents remains a mystery.

On the other hand, Sembayev could perfectly well be among the "exceptions" specified by the constitution thanks to his undisputed professionalism: He has managed to pick an efficient team of young specialists and to realize what seemed an unattainable dream in the times of Galym Baynazarov—to bring relative order to bear in the banking sphere, "suppress" issue of the tenge, devise a whole code of "rules of the game" in the financial and banking "jungles," and appreciably increase the gold and currency reserves.

Even the none too obvious opposition of the National Bank and the government could be seen as quite effective—the truth is frequently born in argument, if it is conducted by intelligent people. The total solidarity of these state institutions could under the present conditions result in money-issue "breaches" under the pressure of sectoral structures, which is, generally, what happened in the spring of 1994 (the celebrated mutual offsets): This was, perhaps, the most serious miscalculation of the Sembayev team, which was unable to offer cabinet lobbyists adequate resistance.

Understandably, the personnel composition in the executive echelon will be renewed by no means merely by the age factor alone. There are in the cabinet entirely colorless persons who have completely failed to give an account of themselves. Previously such inconspicuousness was considered a virtue, just about: The person does not poke his nose in but is engrossed in his work. But today, in a period of the greater openness of government activity and the cabinet's attempts to actively influence the molding of public opinion, such "modesty" appears strange.

Yerezhepov on Burial of Radioactive Waste

954F3351A Almaty PANORAMA in Russian 2 Sep 95 No 34, p 3

[Interview with Kayrolla Yerezhepov, vice president of the National Joint-Stock Company for Atomic, Fuel, and Power Generation Industry, by PANORAMA correspondent Oleg Khe; place and date not given: "KATEP's Kayrolla Yerezhepov: With All the Minuses, a Nuclear Power Station Is a Big Plus"]

[FBIS Translated Text] Processing ore into exportable uranium concentrate includes another, no less effort-intensive process: radioactive waste disposal. PANORAMA's questions on this subject are answered here by Kayrolla Yerezhepov, vice president of the National Joint-Stock Company for Atomic, Fuel, and Power Generation Industry [NAK KATEP].

[Khe] When the subject of radioactive waste disposal comes up, the question of the extent of protection of the population and the environment from radiation immediately arises.

[Yerezhepov] Kazakhstan currently does not have an integrated system for radioactive waste utilization, and therefore the environmental question is always present. Because of the lack of special storage facilities, disposal of waste resulting from production process sometimes do not meet the required norms. This does not apply to our enterprises that have tailing dumps and whose waste mainly has a low level of radioactivity. We have been working on a scheme of placement and development of the system of radioactive waste disposal, but implementation of it was stalled by the lack of money in the budget.

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The only place designated for temporary storage of jar-contained sources and for storage of highly radioactive materials is the Baykal-1 test complex in Kurchatovo, whose state customer is NAK KATEP. However, the facility needs reconstruction, and last year the republic government allocated 1.5 million tenge for this purpose. Since April of this year another 10 million was mentioned in a Cabinet of Ministers decree. So far, however, we have not seen any money. I should mention that Baykal-1 meets all state-of-the-art standards and incorporates all the safety measures associated with storage of radioactive substances.

[Khe] Do you use the solidification of liquid waste method?

[Yerezhepov] Not yet. For two reasons. First: Development and implementation of the new method requires money. Second: We do not have that much liquid waste to forget about the first.

[Khe] In parallel with waste utilization, are steps being taken to rehabilitate the environment from the consequences of disposal?

[Yerezhepov] This question was raised in the government four years ago. The answer to it was reflected in Cabinet of Ministers and Agency for Nuclear Power Generation decrees. But in reality the state has not succeeded in fully protecting the people and the environment from radiation. An indicator of that, among other things, is the difficult situation in the towns of Mirnyy and Aksuyek, next to which are production sites of uranium-mining enterprises. In 1993 IAEA [International Atomic Energy Agency] specialists took control samples and determined that production sites emanate a radiation background, but it is not dangerous for population centers. Our company's enterprises have drafted programs for the recultivation of contaminated soil, at a cost of 82.5 million tenge. A number of international economic organizations offer their services as middlemen between the programs and the EC. It would not be advisable to make predictions now, but it is very important that if the republic government cannot take care of the Kazakhstani ecology and population, at least the international community could do so.

Many hold the opinion that the development of nuclear power engineering is fraught with difficulties. But even with the use of the best scrubbers, thermal power stations annually discharge into the atmosphere 9,000 tonnes of sulfurous gas, 4,500 tonnes of nitrogen oxide, and more than 6.6 million tonnes of carbon dioxide. In the process, about 400 tonnes of various toxic substances are formed.

It should also be kept in mind that a thermal power station with 1 GkW capacity uses up 70,000 tonnes of coal a day. A nuclear power station with the same capacity uses 80 kg of uranium a day. Besides, the reserves of resources for nuclear power engineering are immense. So, with all its small minuses, a nuclear power station is a big plus.

Turkmenistan

UN's Butrus-Ghali Thanks Niyazov for Peace Efforts

LD0709163695 Ashgabat TURKMENSKAYA ISKRA in Russian 31 Aug 95 p 1

[FBIS Translated Excerpt] From the president's mail:

To His Excellency Saparmurad Niyazov, president of Turkmenistan,

Dear Mr. President!

I am very grateful to you for your recent letters in which, among other issues, you informed me about the events taking place in Turkmenistan to celebrate the 50th anniversary of the establishment of the United Nations. Turkmenistan, as one of the newly independent states will indeed be renowned for its efforts to build harmonious relations with its neighbors as well as with states situated outside this region, and for promoting international security.

My meeting on 28 July 1995 with your envoy, Minister of Foreign Affairs Boris Shikhmuradov, gave me an opportunity to discuss some issues raised in your previous letter. I have paid particular attention to your interest in developing Turkmenistan as a regional center for international dialogue once its status as a neutral state is recognized.

To this end I have held consultations with the UN legal adviser and was told that the matter of recognizing the state's neutral status must be considered by the UN General Assembly. In this case, Turkmenistan's proposal can be submitted for approval within the framework of the present agenda. [passage omitted]

In my exchange of opinions with the Turkmen foreign minister, I also welcomed your support for the UN mediatory efforts in the Tajik conflict. I was glad that you advised President Rakhmanov to take resolute steps toward national reconciliation by means of expanding his government to include members of the opposition. I have noted your interest in the next round of talks being held in Ashgabat. Having expressed my gratitude for your proposal via your foreign minister, I also told him that I am inclined to hold the proposed talks in Vienna, partly because it will help draw more support

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and help for Tajikistan from the European Union as well. However, I have ordered my special envoy in Tajikistan to discuss this issue during the course of his next visit to your capital.

As regards Afghanistan, my exchange of opinions with the foreign minister of this country was very helpful. I welcome your readiness to participate more actively in international efforts to settle this conflict. [passage omitted]

Butrus Butrus-Ghali [UN secretary general].

Pakistani President Continues Official Visit

Power Supply Projects Discussed

LD0709202695 Moscow ITAR-TASS in English 1931 GMT 7 Sep 95

[By Oleg Lukin]

[FBIS Transcribed Text] Ashgabat, September 7 (ITAR-TASS) — Pakistani President Farooq Ahmad Khan Leghari, who is on an official visit to Turkmenistan, familiarized himself with versions of projects of power supply to Pakistan across Afghanistan, as well as the creation of a grid of joint electricity supply systems with a number of central Asian countries during his visit to the Mary hydro-electric Power station today. He went on a tour of the Mary and Tashauz regions of the country, which are noted for their dynamic industrial development.

The Pakistani head of state welcomed the idea of supplying electricity to his country which is experiencing a shortage of the same. In particular, Leghari noted that Turkmen specialists will be invited to Pakistan in the near future for working out special versions of the project.

The Pakistani President also visited historical and architectural monuments of ancient Merv and "Gurgench", which were built in the Middle Ages.

Niyazov Talks With Leghari

BK0809064695 Islamabad Radio Pakistan Network in Urdu 0200 GMT 8 Sep 95

[FBIS Translated Text] Pakistan and Turkmenistan share identical views on linking the two countries and other Central Asian States through roads, gas and oil pipelines, and power transmissions. This was stated by an official spokesman in Ashkhabad after the first round of talks were held between President Farooq Ahmad Khan Leghari and President Saparmurad Niyazov.

The two leaders reviewed the latest situation in Afghanistan and expressed concern over the fighting in that country, which is a cause of concern to the neighboring countries. The two presidents condemned the attack on Pakistan's Embassy in Kabul, which caused injuries to the ambassador and his staff and property damage. They described the action as a violation of diplomatic norms.

The Turkmenistan president appreciated Pakistan's efforts to achieve a peaceful solution to the Kashmir issue and offered his resources and influence on this matter. He said that during the upcoming visit of the Indian prime minister, he will discuss the plight of Kashmiri Muslims.

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Azerbaijan

Oil Workers' Strike Threatens Entire Economy

MK0809090095 Moscow SEGODNYA in Russian 6 Sep 95 p 9

[Report by Arif Useynov from Baku: "Oil Industry Workers' Strike Has a Detrimental Effect on the Azerbaijani Economy. The Government Is Unable To Settle Its Wage Arrears for Many Months"]

[FBIS Translated Text] According to the Azerbaijani state oil concern, a strike of sea oil industry workers is causing damage to the state amounting to 4.8 billion manats (over $1 million) daily. The state concern owes the workers four months wages. Pursuing no political goals, the strikers demand that the general agreement to pay wages on time and to provide working clothes and normal catering at canteens be fulfilled. Although recognizing that the strikers' demands are just, the leaders of the concern are unable to solve the problem because the State Fuel Committee owes it 800 billion manats. In its turn, the committee's debtors are the state industrial and agricultural enterprises. The total debt of the populace, enterprises, and organizations to the "Azenergiya" state concern amounted to over $785 million as of 1 July.

The SHARG agency, referring to review of the situation by independent experts, emphasizes that the state concern is unable to satisfy the strikers' demands. Not even the cash received from 40 percent of the daily sales of oil products, which the government has permitted it to use to paying wages, is enough.

The Free Trade Union of Oil Industry Workers, which is conducting the strike, does not intend to stop it and demands that President Geydar Aliyev interfere urgently. In the opinion of observers, the fact that over the past few months the ranks of the strikers have nearly doubled and the strike has been joined by sea oil enterprises, which account for 65 percent of oil production in the republic, is potentially very dangerous for the economy at large.

Privatization Process Pitfalls Pondered

954F3296A Baku ZERKALO in Russian 26 Aug 95 No 31, pp 1, 6

[TREND report: "Privatization: Who Will Turn Out To Be a Boss? Are There Enough Entrepreneurs in Azerbaijan Capable of Restoring the Economy"]

[FBIS Translated Text] An important role will be played in the process of privatization not so much by how it will be carried out at the macro level, but by how the privatization process will be perceived and implemented. It is how an individual component of economic activity (factory, plant, etc.) will behave after the process of destatization that will have the most important effect on the entire economic process. An analysis of the privatization conducted in countries of Eastern Europe and the CIS shows that, unfortunately, it is this that is being paid too little attention. The developed programs resolve problems of macroeconomic relations, the global redivision of property, and the structural restructuring of the economy. At the same time, an exact strategy of operations at the macro level is lacking, which frequently leads to the failure of the entire process of destatization of property.

The fact is that one of the basic tasks being resolved by privatization is the reorganization of the system of management of enterprises and the approach to their management by entrepreneurs; i.e., people who are capable of uniting money and human and material resources into a single technological cycle for the sake of achieving specific objectives. If this occurs and an enterprise finds its niche in the market, then this means that one of the main tasks of privatization has been resolved. Given today's level of development of production, it is not important who owns property. What is important is who manages it and how it is managed. It is inefficient and politically engaged management that was one of the main factors in the collapse of the USSR.

In Azerbaijan the problem of restoration of reproduction at the micro level assumes primary significance also because there is a catastrophic shortage of people with an entrepreneurial frame of mind. Many native and Western economists exaggerate the myth about the natural proclivity of Azerbaijanis for entrepreneurship.

This myth is based on the fact that even in the years of the existence of the USSR, Azerbaijanis actively conducted large-scale trade operations all over its territory. But in the USSR years, trade was not pure entrepreneurship, and it was in its way an opportunity to acquire profits by means of a redistribution of incomes. This occurred owing to the lack of development of a system of state trade and the chronic shortage of consumer goods. Moreover, by virtue of the circumstances that set in, Azerbaijan periodically supplied agricultural products to the other republics of the former USSR, taking advantage of increased demand. Therefore, trade brought a guaranteed high income because of the absence of competition.

But there is a tremendous distance between the receipt of income and engaging in trade (entrepreneurial). Specifically, the classic type of entrepreneurship, and this is first and foremost the production of a specific commodity or services, is not developed in Azerbaijan. For example, starting from 1986, private entrepreneur-

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ial activity—at first in the form of cooperatives—was authorized, and afterwards small enterprises, joint-stock companies, etc. In eight years, more than 80,000 enterprises of various forms of ownership were registered in Azerbaijan. As an analysis of their activity showed, in these eight years more than 85 percent of them were engaged in one way or another in intermediate trade activity.

Meanwhile, there was a surplus of free capital in Azerbaijan at the beginning of perestroyka. It was formed mainly from profit from the sale of agricultural products (flowers, vegetables, etc.), and it was concentrated principally in Baku—one of the industrial centers of the USSR. In addition, there was an abundance of cheap raw materials and skilled manpower. The only thing that was lacking was ideas and the people capable of implementing them. But, unfortunately, the actual linking up of finances, human resources, and means of production did not in fact occur.

Numerous other examples can be cited of inefficient use of property precisely because of a low level of entrepreneurship. Undoubtedly, a negative role was also played by the high level of corruption, which in Azerbaijan took the form of a national disaster. Officials engaged in extortion with the entrepreneurs. They were helped in this by the imperfection of legislation and the already existing stereotype of behavior of a large number of entrepreneurs (many of them came out of the shadow economy).

Moreover, the tax system itself impedes the development of entrepreneurship and especially in the production sphere—tax privileges were not provided for producers. In the final analysis, everyone in Azerbaijan tries to escape fiscal investigation (now up to 60 percent of taxes are not collected). It is much easier to do this in trade.

In the period of initial accumulation of capital, certain demands are made on people. This is first of all enterprise, even shady dealings, and the ability quickly to shift to other areas of activity, etc. These demands were established by the main contingent of entrepreneurship—mainly people with low standards and without a wealthy store of knowledge. Trade under our conditions does not require great intellectual work and a high level of education. However, after the consumer market is overstocked, on the one hand, and the purchasing power of the population is lowered, on the other hand, trade stopped being excessively profitable.

This is a classic situation, and the way out of it is described in any textbook on economics—financial and manpower resources begin to move to other, more profitable spheres of activity. But the paradox is that this does not take place in our country, by virtue of the mentality. The people who have the resources do not know how to use them effectively, owing to the fact that there are no traditions in the republic for mobilizing capital. While in the West, over the course of centuries, a system was developed for the accumulation of financial resources, special institutions were formed, and the mobilization of capital occurred either through banks or through the direct participation of citizens in the investment process, there were no such historical traditions in Azerbaijan. Incidentally, the dynamically developing countries in the Near East, Turkey, etc., do not have a developed stock and currency market, and investment institutions are not developed here. In these countries the corporate method of conducting business is preferred to the family method. In Azerbaijan, moreover, the level of trust of the people in state and private financial institutions is very low, inasmuch as they were cheated more than once.

Based on this, the attraction of free financial resources in Azerbaijan is extremely problematical. In the conduct of privatization it will be very difficult to convince people to invest resources in the shares of stock of enterprises. But without this, reconstructing enterprises and extricating the republic from the economic crisis is impossible. It is these two problems—the absence of traditions of entrepreneurship and the impossibility of mobilizing capital—that will become the main obstacles to the progress of privatization. Moreover, these two problems are so interrelated that a resolution of the first will entail the resolution of the second. The arrival in management of real entrepreneurs will make it possible to clearly designate a strategy for the future. If the question concerned a country with normal stable market relationships, this would lead to the attraction of loan resources under this strategy, objectives, and tasks and specific people and their ideas.

However, it will be impossible to do this in Azerbaijan for a long time. Therefore, the government must support an active protectionist policy in the sphere of entrepreneurship. It is necessary to establish a network of venture and innovation companies under the patronage of the state. It is necessary to create a favorable investment climate in the country for the attraction of foreign capital. To support local entrepreneurship, it is necessary to establish a special committee for assistance to entrepreneurship with a suitable fund. This would make it possible to actively support entrepreneurs who do not have the starting capital for the development of a private business.

Within the framework of the forthcoming privatization, it is necessary to approach the problem of economic relations on a micro level very carefully. It is necessary

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to sell a big part of state property within the scope of the concept of "innovative privatization." The fight against corruption will also contribute to the improvement of the domestic investment climate. It is necessary to clearly regulate the right of owners and to introduce an appropriate legislative base. A reduction in the tax burden from entrepreneurs would make it possible to reinvest resources in private production. It makes sense, as in Sweden, to introduce a system of guaranteed reinvesting of part of the income of enterprises.

The conduct of these measures would make it possible to avoid errors in the conduct of privatization. If one is to believe the statements of some statesmen, one could think that all it takes is to divide state property, and everything will immediately be set right in the economy. Unfortunately, this is not the case. The allotment of property in itself, without improvement in the efficiency of management, without the introduction of new technologies, without finding one's niche in the international division of labor, will lead in the final analysis to a breakdown of the economy.

Law on Changes to Constitution

954F3354A Baku AZERBAYDZHAN in Russian 2 Sep 95 p 1

[Law of the Azerbaijan Republic: "On Making Changes and Additions to the Constitution (Basic Law) of the Azerbaijan Republic"]

[FBIS Translated Text] The National Assembly of the Azerbaijan Republic decrees:

I. The following changes and additions shall be made to the Constitution (Basic Law) of the Azerbaijan Republic:

1. Article 76 shall be supplemented with Part 2 with the following content:

"The National Assembly of the Azerbaijan Republic shall be the successor to the organ of legislative power of the Azerbaijan Republic—the Supreme Soviet of the Azerbaijan Republic. The National Assembly of the Azerbaijan Republic shall be elected on the basis of a majority or mixed (majority and proportional) electoral system. The procedure for scheduling, organizing, and conducting elections to the National Assembly of the Azerbaijan Republic and the status of deputies of the National Assembly of the Azerbaijan Republic shall be established by laws of the Azerbaijan Republic."

2. Parts 2 and 3 of Article 76 shall become Parts 3 and 4, respectively.

3. The title and text of the Section IV shall be worded as follows:

"IV. PROCEDURE FOR ELECTION OF THE ORGAN OF LEGISLATIVE POWER AND LOCAL REPRESENTATIVE ORGANS OF THE AZERBAIJAN REPUBLIC

"CHAPTER 10 SHALL BE ELIMINATED

"Article 85. Eliminated

"Article 86. Eliminated

"Article 87. Eliminated

"Article 88. Eliminated

"Article 89. Eliminated

"Article 90. Eliminated.

"CHAPTER 11

"PRINCIPLES OF THE ELECTORAL SYSTEM

"**Article 91.** The organ of legislative power and the local representative organs of the Azerbaijan Republic shall be elected on the basis of universal, equal, and direct suffrage with a secret vote.

"**Article 92.** Elections to organs of legislative power and local representative organs shall be universal.

"A citizen of the Azerbaijan Republic who has reached 18 years of age shall have the right to vote.

"Taking into account the prohibitions stipulated by the law, a citizen of the Azerbaijan Republic shall have the right to be elected to an organ of legislative power and the local representative organs of the Azerbaijan Republic.

"**Article 93.** Elections to the organ of legislative power and the local representative organs of the Azerbaijan Republic shall be equal. Voters shall participate in the elections on an equal basis. A voter from each electoral district shall have one vote.

"Candidate deputies of the organ of legislative power and also candidate members of the local representative organ of the Azerbaijan Republic shall participate in the election campaign on an equal basis.

"**Article 94.** Elections to the organ of legislative power and the local representative organs of the Azerbaijan Republic shall be direct. Deputies of the organ of legislative power and members of representative organs shall be elected directly by the voters.

"**Article 95.** Voting in elections to local representative organs of the Azerbaijan Republic shall be secret. Monitoring of the expression of the will of the voters shall not be allowed.

"**Article 96.** Eliminated.

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"**Article 97.** Preparations for elections to the organ of legislative power and local representative organs of the Azerbaijan Republic shall be open and public.

"Citizens, political parties, public associations, and trade union organizations of the Azerbaijan Republic shall be guaranteed an opportunity for free and comprehensive discussion of candidates and political parties participating in the elections and also the right to campaign for or against any candidate at meetings, in the press, and on radio and television.

"**Article 98.** Eliminated.

"CHAPTER 12

"STATUS OF THE DEPUTY OF THE ORGAN OF LEGISLATIVE POWER AND THE MEMBER OF THE LOCAL REPRESENTATIVE ORGAN OF THE AZERBAIJAN REPUBLIC

"**Article 99.** The legal position, authority, and tasks of the deputy of the organ of legislative power and the member of the local representative organ of the Azerbaijan Republic, their immunity, and also other guarantees of deputy activity shall be determined by law.

"**Article 100.** A deputy of an organ of legislative power and a member of the local representative organ of the Azerbaijan Republic shall exercise their authority on a professional basis unless otherwise stipulated by the law.

"**Article 101.** A deputy of an organ of legislative power and a member of the local representative organ of the Azerbaijan Republic shall have the right to request information from the corresponding state organs and officials, who shall be obliged to respond to their request.

"A deputy shall have the right to apply to all state organs, political parties, public associations, enterprises, institutions, and organizations regarding questions of deputy activity and participate in the consideration of questions raised by them. The leaders of the corresponding state organs, political parties, public associations, enterprises, institutions, and organizations shall be obliged to receive the deputy without delay and consider his proposals by the established deadlines.

"**Article 102.** A deputy of an organ of legislative power and a member of the local representative organ of the Azerbaijan Republic shall be provided conditions for unimpeded and effective exercise of their rights and responsibilities.

"**Article 103.** Eliminated."

4. Article 105 shall be eliminated.

II. The present law shall go into force on the day it is signed.

[Signed] President of the Azerbaijan Republic Geydar Aliyev
Baku, 11 August 1995

Georgia

Shevardnadze Role in Russian Aims Alleged

954F3297A Moscow ZAVTRA in Russian Aug 95 No 33, pp 6-7

[Interview with David Arsenishvili by Grigoriy Yunin; place and date not given: "Shevardnadze: The Satanism of Power. An Expert on the Caucasus Accuses"]

[FBIS Translated Text] The person who revealed in a conversation with a ZAVTRA correspondent an unexpected, sensational version of the tight knot that binds the Kremlin, the West, and Georgia, the crises in the Caucasus, and the prospects of NATO expansion to the east has the reputation of being a leading expert on the Caucasian republics. One might question whether almost all the ends tied together in this knot of ambitions for power, financial and arms flows, and geopolitical designs are really concentrated in the hands of "a single player"—Eduard Shevardnadze. Still Shevardnadze is opening the Georgian border for Dudayev's formations stationed in the southern part of Chechnya. Shevardnadze's regime is doing a multitude of other secret and evil pirouettes with respect to Russia. And against this thickening background, the logic of the reflections of David Arsenishvili (this is the name he will use in this discussion) undoubtedly deserves consideration.

[Yunin] The situation in the Caucasus is extremely complex and changes almost every day. It is difficult to predict anything definite on the basis of generally available information, which for a number of reasons our newspaper does not fully trust. You have unofficial information that is kept secret from the uninitiated. What is developing in the Caucasus. What could this mean for Russia and for Georgia itself?

[Arsenishvili] The "Caucasian game" is not a fabrication. And it is not an improvisation. It is controlled, and it has quite specific objectives. Moreover, it is predictable.

To define briefly the essence of this game, it has to do with undermining Russia's economic and military might and dismembering its internal political system as well as narrowing the range of its geopolitical influence, particularly in a Western direction; the Caucasian crises that have been instigated are an instrument for achieving these goals.

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I assert that a decisive role in the choice of a scenario for the development of the situation in the Caucasus was played by the results of the Moscow summit meetings during the celebration of the 50th anniversary of the Victory, where the question raised by the Americans of expanding NATO's boundaries to the east was discussed. I assert that the role of Georgian leader Eduard Shevardnadze in the preparation of the actual situation for this discussion, its course and its results, is immense. Moreover—and this is extremely typical—Shevardnadze had moved to the forefront of the Caucasian crisis when it seemed that the most terrible pages of the Chechen war had already been turned.

In addition to discussing the generally known Iranian and less well-known Ukrainian-Crimean issues, at the Moscow meeting between President Yeltsin and a number of Western leaders they actually coordinated the mechanism for NATO expansion to the east. And England should probably not have been the one to raise the question of NATO expansion. As an extremely reliable and informed source in this area reports, the main initiative in this issue comes exclusively from Germany and it serves the achievement of specifically German national objectives.

For the West Georgia will be, if one can put it this way, a "zone of geopolitical compensation"; Russia has been behaving with the Shevardnadze regime like a "good mother country" and "gave up" the Ardzinba regime in exchange for a promise from the West not to contribute to the development of other crises along the entire perimeter of the "arc of instability" that surrounds Russia.

[Yunin] Of course we are not so naive as to think that the May meetings in Moscow were exclusively celebrations or that those who determine the Kremlin's foreign policy are so intractable in relations with Western leaders. But it is difficult to believe that there is coordinated development of the mechanism for expanding NATO with Russia's direct participation after the widely publicized statements from the president and the foreign affairs minister about their categorical disagreement with the West in this issue.

[Arsenishvili] Far be it from me to accuse the Russian president or foreign affairs minister of treason. It is not them so much as the mission of the two visitors—Helmut Kohl and Eduard Shevardnadze. The former, I assert, controlled and was responsible in this connection for the diplomatic coordination and the latter—for the development of the mechanism for NATO expansion. Through Kohl's lips Germany sanctioned the subsequent stages in the Caucasian game in which Shevardnadze has intervened and which, moreover, he controls. Further, it can be presumed that Shevardnadze and the Kremlin will regulate these conflicts in a coordinated way and the West will force Russia to make concessions. The model of the Caucasian future—from the viewpoint of Germany—in the majority of details is copied from the scenario of the Balkan war. A war in which Germany plays an increasing and hostile role.

It is typical that neither Russia nor the West (except, of course, Germany, which is always capable of maneuvering) takes what is happening seriously. Only the obtuseness of those who determine the information "macropolicy" in Russia can explain the softness of the tone regarding Germany. Everything related to Germany is presented in a deceptively rosy light. Conversely, notes of protest are increasing with respect to the United States and the "West in general." Our mass media are a hundred miles ahead of Germany when it comes to ideological pressure on Russia.

[Yunin] Shevardnadze is the former foreign minister of the USSR. Of course, he could retain his positions in the club of leaders of the "world community" and his influence on the foreign policy of the Russian Federation. But is he strong enough and is he influential enough to "coordinate" NATO expansion with Russia's Caucasian geopolitics? What are the limits of the Kremlin's pliancy? Moreover, the Russian troops in Georgia are not subordinate to Shevardnadze. Finally, whether he liked it or not, he personally was concerned to keep the four Russian military bases in Georgia. How can he still manipulate them to force Russia—even if for him Russia is only Boris Yeltsin—to make such an immense concession to the West?

[Arsenishvili] Perhaps I should begin from a long time ago. Boris Nikolayevich and Mikhail Sergeyevich will excuse me: I do not know such presidents. It seems that from 1985 to the present day none other than Eduard Amvrosiyevich Shevardnadze has been president in Russia and has determined its foreign and partially its military policy throughout the entire territory of the ex-USSR. The others merely handed down fragments of its shadow authority which was sanctioned by the "world community."

The readers might be surprised by the revelations published in one of the most informed Russian newspapers from a certain Lyubimov who until 1980 headed up the department of prognostication of the first main KGB administration about a certain plan under the code name "Golgotha" which was developed and put into operation by Yuriy Andropov. The plan envisioned the elimination of the CPSU, the spreading of absolute political lawlessness and economic chaos right down to the

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point of destroying the entire unified socialist system, and then—the revival of a new unified socialist country.

That sounds more like somebody's wild ravings.

Let "Golgotha" remain on Lyubimov's conscience. It does very much seem, however, that this "general directive" is actually in effect even today. Let us say that Lyubimov was right in calling it "Golgotha" but, excuse me, he was "a little bit off" about the authors. Its real author was Shevardnadze, who convinced Gorbachev of the possibility of radically reforming the Union economy and avoiding political and state destruction.

In the area of state construction he made fools of close figures from the Politburo who were obedient to him with the "super idea" of strengthening the unity of the state by dividing into something like "republican states" and adapting the economic structures to the new state structure. Let us recall the "Novo-Ogarevo process"....Shevardnadze proposed turning the USSR into a structural analogue of the United States. But in reality he was proposing and desired the destruction of the political and economic unity of both the USSR and Russia itself.

In the area of economics, all the shadow capital in the initial stages of perestroyka migrated under the guise of fighting corruption into the hands of the same "corrupt people," and "legal" capital was brought along with it. According to exactly the same model which Shevardnadze polished up in Georgia in which when he was first secretary of the central committee of the republic communist party he "mercilessly stamped out corruption." In 1991-1992 this model made up the basis of the power not only in the localities but also in the center of Russia, and it made it possible for a handful of individuals to rob the people with impunity.

The revival of a unified state proposed according to the "Golgotha" plan is only a false promise. This plan, introduced like a virus into the genetic code of Russian politics, started living according to its own laws. Yeltsin plays at "super-patriotism"— with the organization of mass battles like Abkhazia and Chechnya, on the one hand, and complicity in the state appropriation of national-territorial formations, on the other. This tactic divides the state into "aggressors" and "victims"—Russia and Chechnya, Georgia and Abkhazia, etc. The regional psychoses are the most powerful ideological instrument in the hands of the aforementioned power, which is obedient to the "world community" and its plans. The Kremlin could care less about the appeals for peace from deputies of all orientations. Then it itself undertook negotiations with Chechen politicians and field commanders-supposedly with the objective of making peace. A game....

Now about the Caucasus.

Can Shevardnadze control the situation in this region and coordinate what is happening there with the geopolitical problematic of NATO? He can. And he is doing it without even experiencing Yeltsin's excessive pliability. Russia had no plans at all for genocide in Abkhazia—it was simply rubber stamped. Russia did not want to engage in peacemaking on the newly formed border: Shevardnadze organized the genocide. And now on the other side of the military-strategic equation there is the question of introducing "blue helmets" into the Caucasus, and pressure has been put on Russia to force it to accelerate the withdrawal of troops from Germany. But the main thing is that for the first time, theoretically so far, the question of expanding NATO was raised.

The geostrategic intent is embodied in the connection with the collapse of Russia which Shevardnadze is encouraging from the South. Thus both mechanisms must function through Georgia.

[Yunin] And what is your version of the geopolitical interconnection between the breakup of Georgia and the disintegration of the Russian Federation? How do you envision the situation of the intra-administration breakdown of Georgia through constitutional procedures? After all, it seems that Georgia, like the Caucasus as a whole, simply has no basis for turning the flywheel of state collapse.

[Arsenishvili] The mechanism for the intra-administrative collapse of Russia includes maintaining the Chechen separatist status by two precedents that arose as a result of the collapse of Georgia—the bold Abkhazian referendum to join Russia and the unification of the Ossetias, one of which is a part of the Russian Federation.

There is a cynical duel—Russian-Georgian—"game of defeat." Shevardnadze acts like he cannot deal with Ardzinba and Yeltsin acts as though he can in no way come to terms with Dudayev.

In reality the inclusion of state formations of Georgia (officially an independent state) in Russia cannot be accomplished other than by giving it full-fledged state status. This will inevitably bring about an exact reproduction of the same legal-political position in all other Russian state formations.

Georgia, like Chechnya, is geopolitically unique, and its strategic ports, space tracking stations, pipelines, and many other things make it absolutely interconnected with southern Russian territories. The disintegration of Georgia according to scenarios applied in 1989-1991 in the USSR and the spread of conflicts within Georgia will cause a "domino effect" through reflection in the

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immense southern region, which is ultra-important for Russia. The explosion of the key Caucasian position will be many times more powerful than the Chechen crisis. The Abkhazian referendum will move the crisis to Russia. Georgia, as during the time of the collapse of the USSR, will become the scapegoat in the eternal anti- Russian game (right down to outrages against the Orthodox faith—the action of the "Association of Christians and Muslims" should occur not far from the place where Griboyedov is buried in Tbilisi).

For example, I was alarmed by nothing more or less than a "state visit from the Karelian delegation" to conclude a "political and economic agreement with Georgia" which was widely advertised by the Russian embassy in Tbilisi. A Russian patriot with any common sense should understand that this will not end with Georgia alone. Maneuvers like this which element-by-element include Georgia as a part of Russia are by no means an attempt at unification but only a shift of the center of political and economic gravity from the collision of "Russia—former Union republics" to a collision of "Russia—republics of the Russian Federation."

And this same goal is actually served by the two-version plan for federative and confederative organization of Georgia which appeared right after the Moscow "celebration" meetings in May and the hasty formation by Shevardnadze of a new republic constitution with clearly truncated authority for the center. Shevardnadze is artificially breaking Georgia apart.

This constitution, which envisions administrative-territorial division of Georgia with the introduction of unnatural boundaries between the regions, is an excellent means of conducting the next genocide planned in Western Georgia by the hands of Georgian criminals and the forces of the Security Service of Georgia, with subsequent introduction of the next Russian peacemaking contingent. Judging from everything, something of the kind is being planned in Ajaria as well—with an opening of the state borders with Turkey and artificial inflammation of the Muslim factor. Ajaria is potentially a second Abkhazia.

The strangest thing is that according to the information of a number of sources this future crisis was coordinated "in advance" with influential groupings in the Kremlin. And the result of it should be not only to exert powerful world pressure on Russia but also to escalate NATO's movement eastward. The next step will be the withdrawal of Russian troops from the dismembered Georgia. The Georgian crisis is a trap baited for Russia.

Additionally, the status and time periods for the presence of Russian troops and the status of the military bases were not approved by the Georgian parliament. Although Shevardnadze could simply have passed this through the parliament which is obedient to him.

[Yunin] You mentioned the withdrawal of troops from the Transcaucasus. But what if they still remain in spite of all the conflicts?

[Arsenishvili] The withdrawal of troops from Georgia, according to Shevardnadze's plan, is intended for the second half of 1995, that is, by the time the intra-administration division is completed. Of course objectively it is quite possible that there will be "nonwithdrawal." Then it would be possible to have a head-on confrontation not only with the Muslim world but also with NATO. Shevardnadze is trying to frighten NATO with the alleged "pro-Turkish" sympathies of Aslan Abshidze, the Ajarian leader. For example, the intention to open the border with Turkey is ascribed namely to him. Incidentally, it is precisely Alan Abshidze who to a large degree is the guarantee of stability in Georgia. An individual with a principally pro-Russian orientation, by some miracle he is maintaining stability in his subregion.

[Yunin] Tell us about the situation in Georgia, political and economic.

[Arsenishvili] It is terrible. The machinations of Shevardnadze and his circle to sell shares in state enterprises of Georgia over three years have ended up costing $6 billion. There is a large amount of trade in everything—for example, territories. Akhalkalakskiy, Akhaltsikhskiy, and Bogdanovskiy Rayons of Georgia, they say, have been secretly sold to Armenia. Shevardnadze is sending sums of more than $5 million and $100 million to Germany, first by killing a bank president and then "settling debts with Turkmenistan." Transfers have also been made through the Shevardnadze Fund, which was headed by the recently killed Soliko Khabeishvili. Incidentally, Soliko himself, according to rumors, was a victim....of Shevardnadze's transfer to Germany of a sum of more than $1.2 billion (200 million—a direct loan from Russia, and 450 million—from Turkey).

It would seem that the economy of South Ossetia would have had enough of being the only transit region between Russia and all the Transcaucasus. But in the Ossetian economic subregion Shevardnadze has included a number of Georgian rayons over to Borzhoma, inclusive, and it is planned to invest an incredible sum there—$20 billion, some of the money pilfered from the Georgian budget.

And all the peoples who are Ossetia's neighbors are being suppressed. Ossetia is artificially ending up in a privileged position against the background of the other Caucasian regions. Not only is a U.S. dollar

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worth almost 2 million Georgian coupons here, but another civil war is being started through artificial economic inequality. And all this is a part of the large geopolitical intrigues I mentioned. Enough—the world should not change, and it should certainly not move toward catastrophe, and Russia toward collapse, just because Shevardnadze, as we know, was born of an Ossetian father and a German mother and with all of his activity confirms the suspicion that he is involved in German interests.

[Yunin] Can one see on the Georgian political horizon a person capable of replacing Shevardnadze? Whom would the Georgians like to see in his place?

[Arsenishvili] Anybody who is not part of his team, even Zhirinovskiy himself. But in general as long as Shevardnadze plays "ultra-Russian" games purely externally—he is practically invulnerable.

In reality there is no official policy or politicians in Tbilisi. Everything is in Shevardnadze's hands.

Of the parties, the most influential is the Union of Citizens of Georgia, which is commanded, after Shevardnadze, by the leader of the "green party"—a young Armenian with the Georgian name of Zhvaniya who is always traveling to Germany. The organization consists of three parts: representative—which unites representatives of the intelligentsia who are close to Shevardnadze, organizational—wheeler-dealers who have been around Shevardnadze since the time when he was a party leader and who, incidentally, are frequently not ethnic Georgians, and the military—these are militant groups of young drug-addicted scum and criminals who terrorized the republic. They are supplied with weapons from Russia, and in the event that Shevardnadze leaves or is removed, they are to provide for his "political successor." The arms come from the same sources in Russia from which not only Shevardnadze and Ardzinba but also Dudayev are supplied.

The recently created Movement for a Unified Georgia which is in favor of new partnership relations with Russia cannot be considered an alternative to the Union of Citizens of Georgia. The intelligentsia respects the Union of Reformers of Georgia with its relatively decent composition. Then come the National Democratic Party, the Union of Traditionalists, etc. They, like the communists, are not very influential.

[Yunin] What about the Zviadists?

[Arsenishvili] There were none when Zviad was in power and there are none now. The term designates and did designate decent people of Georgian nationality who could not reconcile themselves to Shevardnadze's regime. Throughout the entire republic after the coup hundreds of Georgian families accused of "Zviadism" were slaughtered, but they had nothing to do with Gamsakhurdia or his movement.

[Yunin] What role does the mafia play?

[Arsenishvili] None. The whole mafia in Georgia is Shevardnadze and his small circle.

Shevardnadze will leave if the Kremlin wants this. But the Kremlin is not saying anything.

Investigation of Assassination Attempt Continues

LD0709194095 Moscow INTERFAX in English 1846 GMT 7 Sep 95

[FBIS Transcribed Text] Tbilisi, Sept 7 (INTERFAX) — Investigators of the August 29 assassination attempt against Georgian Head of State Eduard Shevardnadze are working on several versions of the crime, First Deputy Prosecutor General Revaz Kipiani told INTERFAX Thursday [7 September]. According to one of the versions, the terrorist act was possibly planned outside Georgia, he said.

According to Kipiani, the Prosecutor General's Office has enough to form a case but it is too early to publicize it. Kipiani expressed confidence that the investigation will be completed soon.

More Arrests After Attempt on Shevardnadze

LD0709112895 Moscow ITAR-TASS in English 1055 GMT 7 Sep 95

[By Tengiz Pachkoria]

[FBIS Transcribed Text] Tbilisi September 7 (ITAR-TASS) — More people were arrested in Tbilisi, capital of Georgia, where an abortive attempt on the life of Georgian leader Eduard Shevardnadze was staged on August 29. According to the press service of the Georgian Interior Ministry, a driver from the bodyguard service of member of parliament Dzhaba Ioseliani and several members of the paramilitary organisation Mkhedrioni (riders) were arrested. They are accused of carrying and keeping unregistered automatic weapons, of robbing several flats in Tbilisi and of insulting people physically. According to the press service, unregistered automatic and other weapons were found on the driver, when he was arrested.

Dzhaba Ioseliani was the founder of the military-political organisation Mkhedrioni. Rumours began to spread in Tbilisi immediately after the attempt on the life of Shevardnadze that Ioseliani was arrested, but they were refuted by the Public Prosecutor's Office of Georgia. Georgian law enforcement agencies searched the parliament building on August 30 and 31. 25

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automatic submachine-guns, 27 hand grenades and other weapons belonging to Ioseliani's bodyguards were found and confiscated in the bodyguard premises. According to the Georgian Public Prosecutor's Office, 500 codeine pills and 150 ampoules with morphine were found in Ioseliani's safe box during the search. Ioseliani told journalists that they were not narcotics, but medicine and pain-killers for members of the Rescue Corps — an organisation, created two years ago on the basis of Mkhedrioni. Two days after the search Georgian leader Eduard Shevardnadze said in an interview with republican TV that there is no need to raise the question of Ioseliani's arrest before the investigating officers. According to Shevardnadze, Ioseliani does not hamper the investigation process of searches.

Rescue Corps in Tetritsqaro Raided

LD0709164095 Tbilisi IPRINDA in Russian 1100 GMT 7 Sep 95

[FBIS Translated Text] Tbilisi, 7 Sep (IPRINDA) — According to information from the Internal Affairs Ministry's press center, as a result of an inspection of the Rescue Corps headquarters in Tetritsqaro (East Georgia), Georgian law enforcement bodies were uncovered an anti-aircraft weapon with four missiles (two missiles were in combat readiness). A Volna radio transmitter was hidden in a refrigerator. Four other radio transmitters were found in another room.

Law enforcement bodies also found an anti-tank mine, a hand grenade, and cartridges. A VAZ 2101 car was found in the yard of the headquarters along with two other cars that had been broken down into pieces.

Publisher Detained in Tbilisi

LD0709123695 Tbilisi IPRINDA in Russian 1100 GMT 7 Sep 95

[FBIS Translated Text] Tbilisi, IPRINDA 7 Sep — Malkhaz Ramishvili, the publisher of the popular independent newspaper REZONANSI, was detained on 6 September in Tbilisi. An agency correspondent has been told at the press center of the Ministry of Internal Affairs of Georgia that the editor of the newspaper has been wanted by the Prosecutor's Office of Moscow's Zamoskvoretskiy area for a kidnapping (he participated in the kidnapping of a person). The detained has been taken to the town's Police Directorate.

UN Security Council Hears Report on Abkhazia Talks

LD0709202895 Tbilisi CONTACT INFORMATION AGENCY in Russian 1500 GMT 7 Sep 95

[FBIS Translated Text] New York — A session of the UN Security Council heard a report today by Eduard Brunner, UN envoy to the Georgian-Abkhaz peace talks, in which the destructive policy pursued by the Abkhaz separatists was outlined. The report said that the Abkhaz separatists had disrupted the Moscow round of the quadripartite talks, thus creating the threat that the situation in the Caucasus region may deteriorate.

An agreement has been reached that the president of the Security Council will prepare a draft statement on the Abkhaz issue.

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Latvia

Norwegian Speaker on Possibility of Riga in NATO

LD0709140495 Riga Radio Riga Network in Latvian 1300 GMT 7 Sep 95

[FBIS Translated Text] Kirsti Kolle Groendahl, president of Norway's Storting [parliament] who has arrived in Latvia on an official visit, today addressed the Saeima plenary session.

After that, she met reporters at a news conference. The Latvian radio correspondent in the Saeima, Didzis Jonavs, has listened to what the president of the Norwegian parliament said:

[Begin recording] [Groendahl, in Norwegian fading into correspondent's superimposed Latvian translation] I have great pleasure in having this visit here now. Since 1991, when the Singing Revolution took place, contacts have been evolving between the Baltic and Nordic states that become deeper and deeper and more and more intensive. That is exactly why I have invited a Saeima delegation to visit Norway soon. [end recording]

Asked about the possibility of future NATO enlargement and Latvia's possible admission to that organization, Kirsti Kolle Groendahl said the following:

[Begin Groendahl recording in Norwegian, fading into correspondent's superimposed Latvian translation] In my opinion, such NATO enlargement could take place, but at the moment NATO directs the countries that want to joint this organization toward participation in the Partnership for Peace program. I think Latvia would also have to demonstrate itself in this sphere. [end recording]

Military Cooperation Plan With Denmark Concluded

WS0809074595 Tallinn BNS in English 1000 GMT 7 Sep 95

[FBIS Transcribed Text] Riga, Sep 7, BNS — Representatives of the Latvian and Danish armed forces' general staffs have coordinated a cooperation plan for 1996, Latvian National Armed Forces' (NAF) Staff Head Juris Arness said Wednesday [6 September] at a press conference.

The plan provides for training NAF soldiers in training centers in Denmark, educating of officers in the Danish military academies as well as Danish assistance in the set-up of the Baltic states' air space monitoring system.

Danish General Headquarters' deputy head in planning and policy issues, Ove Hoegh-Guldberg, noted that the Baltic Peacekeeping Battalion (Baltbat) and the Baltic platoons' participation in the Danish peace battalion's operations are an especally important form of cooperation. Besides, Denmark has provided consultative and financial assistance to the Baltbat.

He noted that the mechanism of peacekeeping forces formation is only developing in Latvia therefore Denmark is ready to support it also in the future.

The first Latvian-Danish military cooperation program was drafted at the beginning of 1995. Denmark has coordinated similar programs also with staffs of the Lithuanian and Estonian armed forces.

As reported, the first talks between the staffs of the Baltic and Danish armed forces took place in Riga on Sep. 5-6. During these talks, international situation, regional security problems, prospects of the armed forces' development and many other issues were discussed.

Latvian Trade With China Decreasing

WS0709143795 Riga LETA in English 0955 GMT 7 Sep 95

[FBIS Transcribed Text] Riga, September 7, LETA — At a press conference on Wednesday, September 6, held in the Embassy of the People's Republic of China in Riga the Commercial Counsellor Luan Chungsheng [name as received] informed that the total trade between the People's Republic of China and Latvia reached just under 3 million USD during the first six months of this year. This compares with 27 million USD for the whole of 1994. The 1994 figure includes the transshipment of metals from the CIS through Latvia to China and Latvian officials set the actual trade figure at 7.2 million USD for 1994. Counsellor Chungsheng considers that reasons for the fall off in trade are the result of diminished purchasing power of Latvia's inhabitants, the banking crisis in Latvia, increases in Latvia's customs tariffs, Russia's regulations on the export of strategic materials, and the increase in production costs in the People's Republic of China.

Mr. Chungsheng urged Latvia's manufactures to participate at the international trade fair this October in Guangzhou.

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